

CURRENT HISTORY

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The Spanish Revolution

I—The Course of Events

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AFTER a long period of agitation and unrest Spain finally experienced a not unexpected revolution when on April 13, 1931, the monarchy was overthrown, King Alfonso XIII driven into exile and a republic set up, with Niceto Alcala Zamora as Provisional President. The immediate cause of the change was the overwhelming Republican victory in the municipal elections held on April 12. This was so unmistakably an expression of popular feeling that the Cabinet headed by Admiral Aznar resigned the following day, leaving King Alfonso to face the ultimatum issued by the Republicans that he abdicate forthwith. Alfonso did not abdicate in so many words, but, recognizing the futility of any further effort to keep his throne, resigned the supreme power to the Republican junta and immediately left the country. Not the least remarkable feature of the revolution was that it came about without bloodshed or even the least tumult except that of rejoicing

crowds on greeting the proclamation of the republic.

The real significance of this revolution will depend upon the ability of the Republicans to solve the difficult problems which remain. Behind the dissatisfaction with political autocracy and the tyranny of the dictatorship are the deeper causes of unrest, which are economic and social in character. This is a situation which calls for extensive reforms. In fact, a thorough-going reconstruction of the semi-feudal conditions of Spanish social and economic life will mean a further revolution quite as important as the political.

In the meantime, Alfonso XIII is in exile, swept aside by the forces of twentieth-century democracy. In his stead the son of a small landowner of Southern Spain, with a Cabinet of Republican and Socialist colleagues, is in charge of the new republic. Like the leaders of the other social democracies of post-war Europe, these men come from the masses. Bolivar and

Washington were aristocrats by the side of Zamora, Mussolini, Stalin, Briand and MacDonald. The revolution of April, 1931, unlike the revolutions of 1820 and 1868, finds its support among all classes save perhaps the higher clergy and aristocracy and the officers of the army.

That the transition from the monarchy to the republic was attended by so little violence is due in a large degree to the careful preparation of the Republicans after the unsuccessful attempt at revolution in December last. Not only did they extend and broaden their propaganda among the people but they developed a complete plan of action — even to a shadow cabinet—in anticipation of taking over the government when the opportunity came. This also explains the moderation of the revolutionary forces and the unparalleled rapidity of the return to normalcy.

The first public statement of the Provisional Government declared that "receiving its powers from the will of the nation," it felt it to be "an imperious political duty * * * to establish the standards of justice required * * * by the people." Therefore, it guaranteed civil and religious liberty, respect for private property, the correction of the abuses in the army and civil organizations, comprehensive agrarian reforms and the election of a constitutional convention (Cortes) in the near future for the determination of the ultimate form of government and the drafting of the Constitution.

On the whole the Cabinet represents the best talent the Republicans could command. Besides Provisional President Zamora himself, there are, to mention only the most important, Indieto Prieto, the Minister of Finance, a pronounced Socialist, who is straining every nerve to maintain the financial credit of the republic; Fernando de los Rios, Minister of Justice, a free-thinker and an enemy of the State Church, and Miguel Maura, Min-

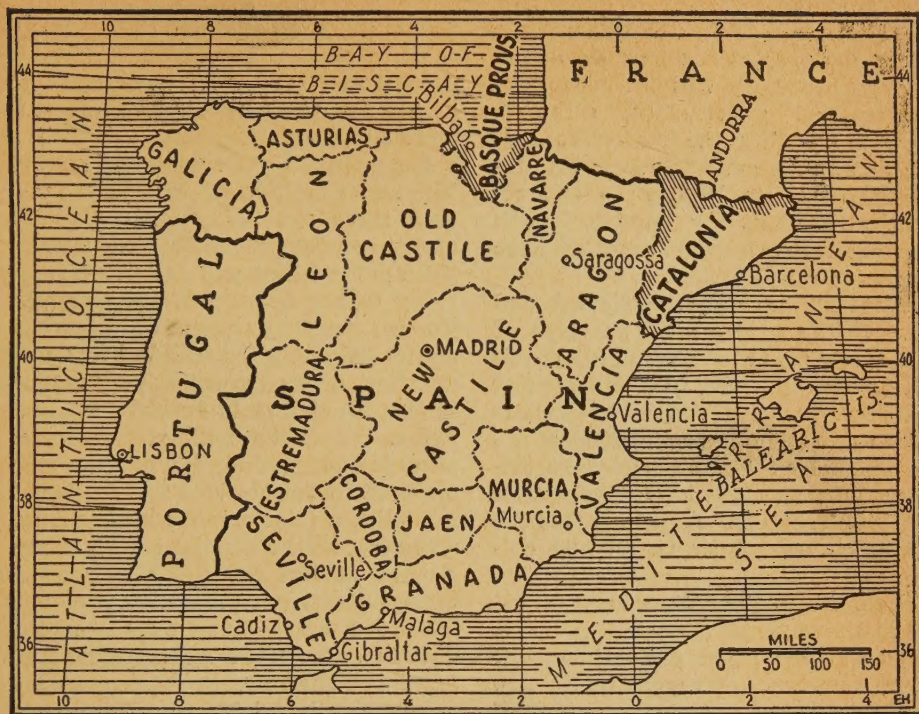
ister of the Interior, who, like the President, is a loyal Catholic.

The problems of the republic are many and perplexing. Some, like unemployment and the fluctuation of the peseta, are due in part to the general economic depression throughout the world. Most of them, however, are peculiar to Spain, though not without parallel elsewhere. Thus, while a very large part of the population of 22,000,000 is agricultural, both the system of land tenure and the methods of farming are hopelessly antiquated. Most of the land is held in large estates. Modern cooperatives, agricultural credit and social insurance scarcely exist.

The return to constitutional government means also the drastic reform of Spain's antiquated electoral system. In preparation for the election of a Constitutional Cortes in June the government announced on May 4 the complete abolition of the old "rotten borough" system. Hereafter each district will elect one representative for every 50,000 inhabitants, and each voter may vote for the whole number of representatives allotted to his district. Women may be candidates, although the present Constitution does not provide for woman suffrage. Priests are also given the franchise. Graft and fraud in elections are severely penalized. Candidates must receive 20 per cent more than a majority to be legally elected.

An even more difficult problem is presented by the Church. Its relations with the State have continued closer in Spain than in any other modern nation. Hence the insistence of the Republicans upon complete separation is causing serious hostility on the part of the clergy and the Vatican. The action of Mexico and of France is not so very remote. Happily there seems to be every disposition toward moderation; the negotiations with the Vatican began with assurances that the property of the Church would be respected.

The army has also played an im-



SPAIN AND ITS PROVINCES

portant rôle in the political life of Spain. Favored by the King, the officers, whose numbers were altogether out of proportion to the size of the army, have been looked upon as the mainstay of the monarchy, and their loyalty to the republic is under wide suspicion. Like the soldiers of Napoleon, they have removed the crowns from their uniforms, but they have not destroyed them. As a preliminary step toward reform, the government has already reduced the number of officers and taken steps to cut the army down to a purely defense basis.

Much the most difficult of the immediate problems of the government arises out of the demands of Catalonia and the Basque provinces for separation (as described in articles on pages 330-336). Among the Catalans the question is particularly acute. Even before the national republic was proclaimed from Madrid, Colonel Macia, the local leader, proclaimed the Catalan Republic at Barcelona. Naturally,

Spain's "Irish Question" is causing much anxiety. On the other hand, the great writer, Blasco Ibáñez, maintained that separatism "is a disease of the monarchy and will therefore disappear with the monarchy." In any case, President Zamora is leaving no stone unturned to effect a reconciliation. On April 26 he paid an official visit to Barcelona, where he conferred with Colonel Macia in the interests of a unified Spain. Everywhere he was received with enthusiasm by the populace and assurance of good-will by the leaders. But no agreement was reached and two days later the Catalans named a separate Cabinet and announced that they would insist upon complete independence. This called forth a sharp rebuke from Madrid but no attempt at suppression. A decree organizing the provisional government of Catalonia was issued on May 4. It provided that "in questions of public order the government of the Generalidad will have the power

to constitute a junta of authorities to take whatever resolutions of action may be necessary without consulting the central government, although later submitting the action to Madrid." The statement professes Catalonia's complete loyalty to the republic. Elections for municipal officers and a Provisional Assembly were scheduled for May 24.

Catalonia is both the richest and most fertile agricultural province of Spain, and also the most highly developed and progressive in commerce and industry. Her people object to the burdens and restraint to which they are subjected by the more backward districts. In a way, it is the problem of the industrial community against the rural, intensified by racial and cultural aspirations.

Spanish monarchs have been forced to abdicate four times in the last hundred years; yet each time they have somehow managed to return. Fully aware of this and mindful of the fact that he may still be called upon to save the nation from disintegration or communism, Alfonso did not abdicate. "I do not renounce any of my rights," he said in his manifesto, "because they are more than mine; they are the accumulated store of history. * * * I am waiting to learn the real expression of the collective opinion of my people * * * and am only suspending the exercise of the royal power." The shrewdness of this is evident. Basing his hopes on the friends of the monarchy and the belief in the ultimate break-down of the republic because of the difficulty of its problems and the divisions in the ranks of its followers, the ex-King waits. Meanwhile, he frowns officially upon illegal monarchist agitation against the republic. Issuing instructions to his adherents in Spain Alfonso said on May 5: "Monarchists wishing to follow my instructions will not put obstacles in the way of the government, but will support it. I will not approve of the people being excited against the government. I want

no military rebellion, but desire all soldiers to give allegiance to the republic. The monarchy went by vote of the people and if it comes back it must come the same way."

Meanwhile, the Republicans remind him that conditions have changed and that there are today well-organized and powerful Socialist and Republican parties that will sacrifice everything in the defense of the republic. To this end they are not only inaugurating sweeping reforms but are conducting a nation-wide propaganda among all classes in favor of the new order. Everywhere the royal coat of arms is being removed, while the government by formal vote has made the republican tricolor—the red, yellow and purple—the official colors of the nation. It has arrested General Berenguer, charging him with responsibility for the death of Captains Hernandez and Galan by court-martial after the Jaca revolt. The presiding judge, Ferdinand Heredia, is also to be brought to trial, and all Ministers of the monarchy since the establishment of the dictatorship in 1923 have been deprived of their pensions. The large estates and royal parks are being opened up for the use of the public and plans for a large number of model workmen's cottages in the Prado in Madrid, one of the largest of the royal estates, are already under way.

Abroad the republic has secured the official recognition of all the leading powers. As an indication of its desire to make itself independent of foreign influence, the Minister of Finance announced that the \$60,000,000 foreign loan negotiated by the monarchy would not be used. The government also voted to take over the control of water power and created a council of electricity with the express purpose of safeguarding it against foreign capital. An amnesty has been proclaimed for all political prisoners and exiles invited to return. Special efforts to strengthen the bonds with the Americas are being

made, the President broadcasting over the radio the claims and hopes of the republic eager to take a permanent

place among the nations without too much destruction of the economic and social forms of the past.

II—Alfonso XIII: The Man and the Monarch

By SIMEON STRUNSKY

Author and Journalist

SOME time after nightfall on April 14 last an automobile carrying four passengers, all men, drove away from an inconspicuous rear door in the royal palace at Madrid. The car made its way by a circuitous route to the suburbs of the capital and so out on the great south-east road which runs to Valencia and Cartagena. It was at the latter port that the motor car arrived about dawn the following day. In accordance with arrangements made in advance the four travelers embarked on a Spanish cruiser which immediately lifted anchor and headed for Marseilles, where it arrived in due time. The Madrid passengers disembarked and took the train for Paris. For what points beyond is yet to be determined by history.

From Madrid to Cartagena the distance by highway would be about 325 miles. It seems to have been covered by our travelers in eight hours. This is good time for night driving, particularly if we assume that the principal personage in the little group had the wheel for the entire distance, as he is very likely to have done. Many years ago a high official of the Hispano-Suiza Company is reported to have said to him: "Any time your Majesty decides to look for a new job we have a place for you as driver on one of our demonstration cars." Sixty miles an hour is said to have been Alfonso XIII's normal speed. The only concession he would make to his mother's cautions was to tolerate on his motor trips an escort of two cars in one of which were physicians, nurses, and

the other necessary provisions. Arriving at his destination he was under pledge to telephone the Queen Mother and let her know that he was still alive. Romantic tradition would have it that Alfonso's automobile traveled faster than usual in the early months of 1906 when he was courting Princess Ena of Battenberg, who was a visitor with her mother, the daughter of Queen Victoria, at Biarritz. The 20-year-old Alfonso is said to have covered regularly the thirty miles between San Sebastian and Biarritz at incredible speeds every morning before breakfast.

Of a superexpert motorist it is by no means unreasonable to suppose, even when he is averaging forty miles an hour by night through hill country, that he will find time for snatches of reflection and reverie; particularly if he is a King who has reigned for his entire life span of forty-five years and is now fleeing from his capital, the last representative of a royal succession which runs back fourteen centuries into the dim ages when the Visigoths from beyond the Pyrenees were making themselves comfortable in the heritage of the Roman Empire. Not that Alfonso XIII would be normally addicted to introspection. Very few kings are, even in modern times of widespread university education, with the striking exception of Scandinavia, where royalty is so heavily tinctured with the bourgeois virtues of learning and culture. Alfonso XIII is, to put it mildly, not a bookworm. But that in itself is no disqualification for eminence or public service. Alfonso's

uncle by marriage, the late Edward VII, is said never to have read a book in his life. That did not prevent Edward VII from presiding over the destinies of England with such ability that one school of German thinkers regards him as the chief architect of the policy of "encirclement" that led to Germany's downfall. Alfonso had no doubt laughed with the rest of the world over the recent Paris epigram about Aristide Briand who reads nothing and understands everything and Raymond Poincaré who reads everything and understands nothing. It is even possible that Alfonso may have heard from a very good pal of his, a late American Ambassador at Madrid, about a fellow citizen of the latter named Al Smith whose book learning is generally believed to be in inverse proportion to his wisdom and gifts of character.

Alfonso's training and tastes were of a kind that should have greatly appealed to his exceedingly remote Visigothic predecessors. He was, and is for that matter, unquestionably the finest royal athlete and sportsman—horseman, motorist, shot, with a particular passion in late years for water sports. Presumably the Visigoths would have approved of his uniformly high spirits. There is a story of his riding his horse up the palace steps and into the grand salon only a few months before he took over the government from his regent mother at the age of 16. Perhaps ten years later, he was conversing one day from the window of a railway carriage with friends on the station platform. Deciding to join them, he jumped out of the window. Such things win the approval of the crowd and grieve the judicious. Alfonso seems to have succeeded in doing both. His easy manners, his personal courage, and among other things his passion for the national sport of the bull ring gained him a kind of popularity which, unwittingly perhaps, he summed up very well when he declared at the time of the World War that the only pro-allies in

Spain were "I and the rabble." High spirits as much as policy would explain the favor he bestowed on the army. In part no doubt he felt that on the army depended the security of his throne. But largely it was a genuine fondness for military display. Alfonso's severe critic, the late Blasco Ibáñez, accuses him of aping the behavior of William Hohenzollern. He attributes the great military disaster of July, 1921, in Morocco, to Alfonso's attempt at playing the war lord. But it is hard to associate such grandiose ideas, even if delusions of grandeur, with Alfonso. The simpler explanation is that he was an excellent horseman; he was fond, as advertisers say, of nice things, in the way of military uniforms; and the Spanish Army—that is to say its officers—was a glorified Jockey Club.

But even a gay, hard-playing, out-of-doors, extrovert King does not flee from his capital and his throne without thinking things over a bit in the course of that long night drive from Madrid to Cartagena. Puzzled ideas, regrets, resentments, anticipations; but now and then perhaps, too, the wonder that it should have lasted as long as it did. The catastrophe was a long time in coming, both the personal disaster and the dynastic. Probably before the thought of his throne and his line, may have occurred the thought how really remarkable it was that he himself should be alive at the age of 45, even if a fugitive—for the time being.

II.

When Alfonso XIII was born in May, 1886, few observers would have conceded a brilliant life expectancy either to the infant King or to his house. He was born six months after the death of his father, Alfonso XII, who succumbed to tuberculosis at the age of 28. An inauspicious hereditary start was overcome in his case by the devoted care of his mother who was the Austrian Archduchess Maria Cristina, who died only in 1929. Maria

Cristina merits serious study by the historians as a remarkable instance of talent, or luck, or both, operating successfully in a woman to bring a weakling child into robust manhood and keep an uneasy throne from toppling. It is not to be supposed that the royal motorist on his night run to Cartagena would recall all or any of his infant and boyhood ailments, long happily surmounted. But what is very likely to present itself on such an occasion is the succession of perils to which Alfonso's life was exposed from the moment of his accession to the throne in 1902. To say that Alfonso was the object of "several" attempts on his life is to put it mildly. In ten years he was the object of ten attempts. He attained his official majority at a time when the hazards of the royal métier were running higher than normal. A wave of assassination had set in with the murder of President Sadi-Carnot of France in 1894 and was to reach its crest in the murders of Sarajevo twenty years later. Humbert of Italy and President McKinley were assassinated in the two years before Alfonso's coronation, and the grisly slaughter of King Alexander and Queen Draga at Belgrade came the year after.

It seemed as if the turn of the century had let loose a series of spiritual equinoctial gales like the turn of the seasons. Industrial restlessness was only one of the factors contributing to the popularity of anarchism, of "propaganda of the deed," that is to say, of dynamite and pistol. Below the actual heads of state assassination took toll of statesmen as widely distributed as Stambuloff in Bulgaria, Canovas del Castillo in Spain and Ito in Japan. The first attempt on Alfonso occurred on the day of his coronation. He was attacked three times at home in the following two years, and again in May, 1905, in Paris while driving in state with President Loubet. The outstanding incident is of course the bomb thrown at him and his bride on May 31, 1906, as they were driving from

the marriage ceremony in church to the palace. More than a score of persons in their entourage were slain and young Queen Victoria's bridal veil was stained with blood. After an interval of two years there came in quick succession bombs at Barcelona and Malaga and a pistol attack in Madrid. It was on the last occasion, in 1913, that the King wheeled his horse and rode down his assailant.

This was the last terroristic act directed against him. It may be that his miraculous immunity was held to be demonstrated, or perhaps it was because the World War came along to swallow up in its own vast sacrifices and convulsions the puny efforts of individual men and factions. But it is not unlikely that among the causes that kept Alfonso in favor with a considerable portion of his people up to the last, with the "rabble," were the courage and the gayety with which he surmounted an ordeal that has been known to break physical and mental constitutions. It is an interesting reflection that if Alfonso had developed into a morose bigot or a neurotic or a terrorized recluse like some of his predecessors, psychological science would have had no difficulty in tracing it all back to the first ten years of his reign when he lived under a virtual hail of regicide projectiles.

If, therefore, in the course of that long drive to Cartagena the royal chauffeur occasionally straightened up and threw back his shoulders and reflected that it might not be all over with a king who has had so much personal good luck up to now, he is not altogether to be blamed. He had left behind him a statement that he was absenting himself from the country because he had lost, temporarily, the affections of his subjects, and he looked forward to the removal of the misunderstanding between him and his people. Whoever drafted that document may have had in mind the fact that during the first ten years of Alfonso's reign the affectionate utterances of his subjects had not been

vociferous and had been punctuated with bombs and bullets. Yet a turn for the better had come. It might happen again.

III.

How much time in the course of that night journey Alfonso XIII devoted to a review of affairs other than personal, to his crown, we must wait for some one's memoirs to tell us some day. Here, too, was an extraordinary case of survival against all the probabilities of the actuarial tables. When Alfonso XII died in 1886 and his wife Maria Cristina became regent for her unborn son Spain had enjoyed some sort of peace for a period of ten years. The last Carlist war had ended in 1876. But it was a peace that followed upon forty-five years of civil war and factional and personal seditions of every conceivable kind; that is to say, forty-five years if one counts from the death of Ferdinand VII in 1833 and the beginning of the succession wars. But really it was seventy-five years counting from Napoleon's intervention in Spain, the Peninsular War, the restoration of Ferdinand, the Liberal counter-attack, and the invasion of the armies of the Holy Alliance.

The disruption and disorganization of seventy-five years of strife—dynastic, religious, personal, economic, regional—would a young woman governing for her infant son be able to make head against them, even after a truce of ten years? The truce was there but so were the old hatreds and factions, and a weak hand at the centre might let them loose again. The unexpected happened. Civil strife in violent form did not trouble Spain again after 1886, except for brief periods measured in days. The uneasy Spanish monarchy survived under the rule of a woman regent. It survived at least one shock that might have toppled a much stronger throne. This was, of course, the war with the United States and the loss of Spain's colonial empire in 1898—the final signature to Spain's acceptance

of a place among the secondary powers. But no revolution followed upon the loss of Cuba and the Philippines. Neither did lasting consequences follow upon two separatist uprisings or general strikes in Barcelona in 1902 and in 1909. These demonstrations were put down with a firm hand; and it has always been a source of wonder to observers of the Spanish scene that Catalonian separatism made no serious attempt to take advantage of the opportunities offered by the World War, or to profit by the struggle between the crown and a large section of the people during the eight years from the establishment of Primo de Rivera's dictatorship in 1923 to the dénouement of a few weeks ago.

The principal reason why Alfonso XIII remained a king for forty-five years is in all probability to be found in the very fact of three-quarters of a century of civil strife preceding his father's elevation to the throne in 1876. The Spanish people were simply worn out with fighting; or, to the extent that the militant appetites survived, they found sufficient outlet in the long struggle to retain Cuba, and afterward in the unhappy Morocco adventure. To this war weariness of the Spanish people may be attributed its strange docility—so it has seemed to outside observers—under its so-called constitutional and parliamentary system. For nearly forty years Conservatives and Liberals rotated in office with a harmony emanating from a highly perfected system of political back-scratching. Both parties with their numerous factions and their countless leaders, had their turn at the pleasures and perquisites of office. Elections were made by cabinets instead of the other way about.

The World War injected a greater measure of reality into the plot. The Republican-Democratic tradition, bestirring itself in sympathy with the cause of the Allies, was confronted in the year 1916, while the issue of the

war was highly uncertain, with a countermove in the form of the army Juntas of Defense. Yet to the very end the struggle virtually maintained a peaceful character, so as to arouse the wonderment but also at the end the admiration of the world. The anti-monarchical movement has triumphed by the application of moral pressure. Again and again the country has seemed to be on the edge of civil war. There has been a chronic state of street demonstrations, riots, labor strikes. Last Winter there was a Republican uprising whose quick demise seemed to indicate that the Republicans were greater talkers than doers. But this is not a thesis to be maintained in the light of later events. An extraordinary demonstration of self-control was furnished by the Spanish people when it overthrew a throne by means of a municipal election.

Alfonso's rôle in the dictatorship adventure which preceded his fall is well enough understood. It is certainly not a dignified part. It is a guilty rôle in the sense that Alfonso consented to a dictatorship which involved the violation of his oath of office. But it is not quite the criminality of a monarch who consciously plots the destruction of his people's liberties. To some extent his natural high spirits, to a greater extent panic drove him into the way that led to his undoing. The synopsis would be about as follows: The Juntas of Defense, ostensibly aimed against a "discredited party system," were really the expression of a class interest. They had the sympathy of the King as against the ministers, and in 1917 the cabinet was compelled to make terms with the juntas. But it is not certain that Alfonso would have moved further with the militarists against the parliamentary system if an unforeseen factor had not injected itself into the situation.

In the Summer of 1921 the Moroccan war which had spluttered on for more than a dozen years suddenly

flashed up into catastrophe. A Spanish army under General Sylvestre was ambushed by the Riffians near Anual. The commander and 10,000 of his men were slain and several thousand were taken prisoner. It is established that Alfonso had gone over the head of his minister of war in drafting the plan of campaign with General Sylvestre. Popular wrath forced an investigation by a military expert. His report, a courageously honest one, was submitted to a parliamentary commission. Militarist and royal influence secured a postponement of the parliamentary report until late in 1923. Then, inspired by Mussolini's successful coup in the preceding year, the army element took the initiative. Primo de Rivera, Captain-General of Catalonia, declared against the existing cabinet, came to Madrid, took possession of the government and dissolved the Cortes. This happened in the absence of Alfonso, most probably with his consent, certainly with his endorsement after the event. When eminent party leaders two months after the coup reminded the King of his constitutional duty to summon the Cortes he sent them about their business. The parliamentary commission's report on the Anual disaster disappeared.

IV.

Did Alfonso XIII throw away his crown by consenting to the dictatorship in 1923? Did he, on the contrary, gain for himself an eight years' shrift by resorting to a dictatorship? There is matter here for debate. The years immediately after the war were not a healthy season for a monarch with a first-class national disaster on his hands. At any rate, it is beyond debate that Alfonso joined the long succession of men in history who have seized the bear by the tail and not known how to let go. That he would some time have to let go he must himself have clearly recognized. An indefinitely prolonged dictatorship, on

the Italian model, was inconceivable in Spain, because the basic condition that obtains in Italy does not exist in the Iberian peninsula. Italian Fascism is mainly the expression of a national grievance against the outside world. Fascism is acquiesced in by many Italians as an assertion of Italy's proper place in the world, a place hitherto supposed to have been denied her, and not the least by her own allies. In Spain no such reason prevailed to induce popular acceptance of an absolutist régime. On the contrary, the World War stimulated liberal aspirations in Spain; and as the dictatorship continued to function popular sentiment—labor, Socialist and the like—was reinforced by recruits from the middle and upper classes who resented the humiliation of the dictatorship. President Zamora declared on the morrow of the April revolution: "The dictatorship established by the tacit consent of King Alfonso made possible the mighty Republican movement. Millions of Spaniards who theretofore had been devoted to the monarchy and respectful

to the sovereign swelled the ranks of the Republicans. My own case is a typical example of this painful change of mind."

In this manner Alfonso lost the middle and upper classes outside of the army, and he no longer had the army solidly behind him. Why? Among other reasons, because Alfonso had also lost the support of the "rabble" who were fond of their gay sportsman king. The rabble fell away because the peseta was sliding down and there was want in the land. It was the same economic depression that has worked against the existing régime in every country, though in varying degree. With upper class, middle class, lower classes drifted away—as revealed in the astonishing Republican vote on April 12—it was made manifest to the army that if it chose to fight it would have to fight the nation. The army hesitated, and its vacillation presumably was made known to Alfonso.

And that is why on the night of April 14 he left Madrid in an automobile for Cartagena and Marseilles.

III—The Catalan Movement

By BAILEY W. DIFFIE

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ONLY in a republic can Catalonia completely recover her rights."

So, in June, 1930, wrote Marcelino Domingo, Minister of Public Instruction of the new Spanish Republic. Catalonia, which Salvador de Madañaga describes as "a definite national spirit, a culture, a civilization with characteristics of her own which one can recognize," occupies the north-eastern portion of Spain. The fertile river valley of the Ebro makes it one of the richest agricultural sections of the peninsula.

As far back as the reign of Charlemagne this region emerged as a dis-

tinct entity. Charles Martel, after driving the Moors out of Europe, conquered the northern part of Spain and established the Spanish March in 801 A. D. The county of Barcelona was then created and began a separate existence. But the Catalonians rebelled against the successors of Charlemagne and set themselves up as an independent county. Its existence as a separate State lasted until the twelfth century, when Ramon Berenguer IV, Count of Catalonia, was married to the 2-year-old daughter of King Ramiro II of Aragon, and the county was thereby merged in the kingdom. Ra-

miro had left a monastery to become king and to marry, and after his daughter's wedding he returned to the monastery, leaving his son-in-law to reign over the combined dominions. At the death of Ramon IV his son, Ramon V, became King of Aragon under the name of Alfonso II (Alfonso I of Catalonia), and from that time Catalonia, the more important part of the kingdom, lost its identity in Aragon.

The period of independence gave Catalonia a distinctive character which time has not been able to erase. One result was a tendency to become German in race, while most of Southern Spain was absorbing Moorish blood. Because of the short time the country was occupied by the Moors, there was never a very strong strain of this blood in the Catalonians; with the invasion of the Franks, the predominance of Germanic blood became almost complete. Another result was the development of a language which, though it remained Latin in basic characteristics, received many influences from other sources and is today distinct from the Castilian. Quite naturally there grew up a literature in this dialect, which was very vigorous in the late Middle Ages and well into the early modern period, and which has become of increasing importance since the last quarter of the nineteenth century. A great part of this Catalan literature has been consciously directed at maintaining the nationality of the Catalonians and keeping them aware of the differences of race and language which separated them from the rest of Spain.

The politics of the combined Kingdom of Aragon and Catalonia aimed at increased influence in France and Italy, while the rest of Spain was concerned with the reconquest. The mediæval period tended to strengthen the divergent tendencies of these two nations, and their union, which has been so unsatisfactory to both, occurred only at the end of the Middle Ages.

The wars against the Moors had implanted in Spain a system of privileged and chartered towns. As a reward for valiant service against the infidel, individuals and towns were granted immunities and rights of self-government as early as the tenth century. In 1068 Ramon Berenguer I, Count of Barcelona, and his wife granted judicial and legislative characters known as *usatges*, which are analogous to and anticipate Magna Carta by a century and a half. In the thirteenth century Barcelona was governed by a charter providing for the Council of the Hundred, the supreme legislative body of the city, by right of a grant from the King. Even before this time the institution of the Cortes, a legislative assembly analogous to the later English Parliament, was well established and strong enough to compel the King to answer to it for his crimes. Before this body, Jaime the Conqueror, the most famous of the Catalan kings, was forced to present himself as a culprit for having cut out the tongue of the Bishop of Gerona. From about the middle of the twelfth century the commoners were represented in these legislatures, and their power continued to grow for three centuries.

Catalonia's representative institutions were destined to be the stumbling block to Castile. Charles I, a foreigner, who took the throne in 1517, did not comprehend their importance, and with difficulty gained the allegiance of Catalonia. A more decisive blow was struck by Philip II when, in 1590, he violated Catalan liberties by sentencing to death the Chief Justice of Aragon. Still more serious was the revolt of the Catalonians during the reign of Philip IV, because of abuses which greatly resemble those of the American Revolution—the collection of illegal taxes, an attempt to centralize the government and the quartering of troops in private houses. To gain their independence from Spain Catalonia treated with Richelieu and

received aid from him on condition that it should become a part of the Kingdom of France, but, in spite of this powerful ally, the revolt was unsuccessful. Philip IV, although in a position to crush Catalonia after the war, showed himself rather liberal, and Catalonia did not lose its liberties.

In the more serious war of the Spanish Succession the Catalonians cast their lot with Charles of Habsburg and continued the war against Castile even after he had abandoned the struggle. This failure left Catalonia exhausted and unable to resist the centralizing tendency which was marked from the time of the first Bourbons. In 1709 and 1724 Catalanian representatives were sent to the Castilian Cortes, and Philip V set about abolishing the privileges and rights of the Catalonians. In Barcelona the General Deputation was abolished and the Council of the Hundred was suppressed, the King governing the city by means of a High Commission of Government and Justice and a Commission of Administrators. For almost a century Catalanism seemed crushed, but it lived in spirit, and the nineteenth century saw it rise again.

The rights which remained to Catalonia at the opening of the nineteenth century were rapidly swept away by the centralizing tendency. The separate penal code was abolished in 1822; the right to use Catalan in the schools was rescinded in 1825; the code of commercial law went by the board in 1829; special tribunals were suppressed in 1834; the right of separate coinage was denied in 1837, and the Regional Administration fell in 1845. In 1842 General Espartero, the Regent, was forced to put down rebellion by force of arms and in 1863 Barcelona aided the movement to bring about the abdication of Isabel II and afterward continued in revolt against the provisional government and against King Amadeo, who reigned from 1871 to 1873. Nor did the retirement of this King satisfy the Cata-

lonians. The establishment of the republic in 1874 was attended by the immediate problem of a reconciliation between those who favored a central form of government and those who believed that a federal republic was more suited to the Spanish situation. Catalonia determined to establish her independence, and on March 9, 1874, began a rebellion which lasted throughout the short life of the republic and was not suppressed until the restoration of the Bourbons in the person of Alfonso XII.

Instead of being destroyed by these onslaughts, Catalanism flourished in a new literature. Poets sang the glories of Catalonia in books and periodicals printed in the native dialect; professors in schools and universities imbued their students with their regional ideals, and the politicians agitated the populace with constant appeals to local patriotism. With the turn of the twentieth century and the coming of Alfonso XIII, nationalism blazed more brightly than ever. The enforced use of Castilian in the schools raised a popular and understandable issue. The new movement had begun about 1833, being marked by the appearance of a poem written in Catalan and dedicated to Catalonia, but printed in a Castilian newspaper in Barcelona, *El Vapor*. Catalan became a literary language, owing chiefly to the work of one man, Rubio y Ors, who, by his persistence in writing it, was responsible for its renewed life. In the periodical field, the rebirth was heralded by the appearance of a newspaper appropriately called *Un Troc de Papel* (a scrap of paper). Catalanism also manifested itself in drama in a movement started by Federico Soler, founder of the Catalan theatre.

It was, however, in politics that Catalanism assumed its most practical aspect. The leader was Pi y Margall, whose rather vague and theoretical federalism had room enough to accommodate such a movement as Catalanism. But Pi y Margall regarded

Catalanism as only one aspect of a greater movement, the centre of which was Castile. It remained for one of his followers, Valentin Almirall, to sound the true note, and with his revolt from federalism and the raising of the issue of a republic in 1886, the movement attained the dignity of an independent political faction.

The emergence of the national ideal was due mostly to Enric Prat de la Ribera, who visualized Catalonia, not as an autonomous region, but as a nation embracing all territory where people speak Catalan or its dialects, namely, Catalonia, Valencia and the Balearic Islands. A memorial was presented to Alfonso XII in 1885 by Maspons, Verdager, Guimerá, Soler, Pella y Forgas, Collell and others who set forth the grievances of the Catalonians and asked for more liberty of government. Still another memorial was presented to María Cristina, the Queen Regent, on the occasion of her visit to Barcelona in 1888, asking for ample autonomy, with the right of legislation vested in a Catalanian Cortes, an executive responsible to Catalonia and an independent treasury and army. This was ancient Catalanism in modern dress, basing its plea on the principle of international law that every nationality has the right of self-determination.

The plan outlined in 1892 in the Assembly of Manresa became the basic program of Catalanism and was known as *Las Bases de Manresa*. Not all the advocates of Catalanism were agreed. Some wanted autonomy; others, who were more radical, demanded independence. The union of the two wings, which resulted in a greatly strengthened movement, was accomplished in 1901, when the *Centre Nacional Catalá* (Nationalist) and the *Unió Regionalista* merged to form the *Lliga Regionalista*. The united organization won the elections of 1901 through the vigorous leadership of Prat de la Ribera and his able assistant, Francisco Cambó, who has, since

the death of Prat de la Ribera, assumed the leadership of Catalanism. In recent years radicalism has manifested itself in anarchism, syndicalism, socialism, and, lately, communism. These movements supported Catalanism in the hope that any revolutionary attempts could be used to further their own purposes. At the same time, commercialism and industrialism have used the movement for obtaining legislation favorable to Catalanian interests. Catalonia, the commercial and industrial centre of the peninsula, demanded high tariffs in order to compete with foreign goods. This policy was directly inimical to the interests of agricultural Spain, and the result was a compromise under which the Catalanian leaders agreed to continue to pay taxes (which they claim are out of proportion to the benefits they receive from union with Spain), while the central government maintained high tariffs to protect their manufactures. The more extreme separatists, however, decried commercialization and opposed any compromise whatever with the central government.

Alfonso XIII did much to alienate the Catalonians and make them fear for the reborn Catalanism when he boasted, from the tribune of the palace in Barcelona, of being the heir and executor of Philip V—the King who annulled the liberties and charters of Catalonia. The dictatorship of Primo de Rivera increased this ill-will. Determined to rule a unified Spain, de Rivera went so far as to forbid Francisco Cambó, a leading banker of Barcelona, to speak in Catalan before an audience of Catalonians on the subject of the stabilization of the peseta. Such measures inflamed the passions of the people of Catalonia and brought the question of separation to the fore. In spite of optimistic official notes issued from Barcelona in October, 1929, to the effect that the separatist movement had been crushed and Catalonia brought closer to a complete union with Spain, the autonomist and

separatist movements remained an active menace to Spanish unity.

In the 400 years since Charles I began the movement which gradually annulled the privileges of the Catalonians, they have kept alive their spirit of independence. The political aims of the Habsburgs and Bourbons made Spain a political and legal unit, but historically and ethnically their policies failed, and Catalonia now faces the Republic of Spain as determined to reclaim and even augment her ancient rights as when she faced the monarchy. The new Spanish Re-

public has conceded the Catalanian language, flag, national anthem and Cortes on condition that the Catalonians admit the superior authority of Madrid and continue to pay taxes to the central government. But will the extreme separatists agree to retain even a shadowy connection with Castile and can the republic keep the confidence of its supporters if the Basque provinces and other regions of the peninsula wish to exercise the same powers as Catalonia? This is now the dominating question in the solution of the Catalanian problem.

IV—Basque Nationalism

By MAX A. SAVELLE

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ONE of the difficult problems the Republican régime in Spain faces is the threat to national unity by the separatist movements of the Catalans and Basques. All over the Basque country—the provinces of Navarra, Guipuzkoa, Alava and Bizkaya—the newspapers are preaching autonomy and independence, and the youth in the Basque villages is organizing “centres” and “groups” for the propagation of nationalistic doctrines.

The Basques are a separate people who until 1839 were free, making their own laws, but having as their king or “señor” the King of Castile. Naturally, four provinces which were so long independent, not only of Spain but of each other, have their own great differences. Many times they were enemies, and even today there are strong traces in Navarra of the bitterness engendered during the centuries when Guipuzkoa, Alava and Bizkaya, as subject provinces of the King of Castile, waged war against the little kingdom. Yet fundamentally the institutions of all four provinces are similar. All were governed under democratic Constitutions, written or

unwritten, which were evolved during the late Middle Ages. Their ancient laws, very different from those of Spain, find their common source in the patriarchal customs of the unlettered and never completely conquered “Cantabrians” of the Roman era and their ancestors. Customs of living, language and the local administration of justice were basically the same over the Basque area.

When Don Carlos, brother of the notorious Ferdinand VII, took the field in the 1830's against the Queen Regent Maria Christina and her daughter Isabel II, in an attempt to seat himself upon the throne, the Basques joined him. They were not greatly concerned by the question of women reigning in Spain, but they were interested in maintaining their independence and their religion against the attacks of the hated “encyclopedism” of the liberals. Don Carlos lost; and the first Carlist War ended in 1839 with the Convention of Vergara, which undertook to maintain the provincial laws, but “without prejudice to the interests of the nation.” Under this plastic clause much of

their treasured independence was taken away from them, and Juntas and Cortes ceased to sit in the Basque provinces. When in 1872 the Basques took up arms in support of the younger Don Carlos, only to lose again in 1876, they lost the remainder of their autonomy, though there were certain special concessions, varying from province to province, in the collection and administration of taxes.

The Basque national movement is not entirely political but is rooted in the traditions of the people. Certainly two facts stand out clearly. First, the Basques can prove an origin which is probably earlier than that of any other cultural group in Europe; second, the customs, institutions and traditions of the Basque people indicate a very considerable difference between them and the other peoples of the peninsula. Today they have awakened to a consciousness of that difference. One of the important objects of their national movement is the preservation of Basque culture, language, music, sports, dances—all those things that make their culture distinctive, interesting, or beautiful.

The Basque Provinces, with the exception of Navarra, which is predominantly agricultural, are richly endowed for industrial development. With the exception of Catalonia, the rest of Spain, from the Ebro to Cadiz, is predominantly agricultural. The mountains of Bizcaya and Guipuzkoa contain a great deal of iron, with some coal, and limitless possibilities for the development of waterpower. The rich natural resources of the Basque Provinces have made possible the development of modern industry, with the result that Bilbao, the centre of the iron-producing area, has trebled its population within the last fifty years, has more registered shipping than all the rest of Spain, and controls a large part of Spanish capital.

This economic development has naturally affected the Basque laborer. In the great industries of Bilbao the Basque laborers have been accustomed

to be paid from \$1.50 to \$2.50 a day, but in recent years the employers have imported large numbers of Spanish laborers who are willing to work for as little as \$1 a day. In Bizcaya, where the condition is most acute, the Basque laborers, aroused by the importation of Spanish labor, have organized a union, "The Solidarity of Basque Workers," in which membership depends on race. Thus, little interested in the historical aspects of the separatist movement, the Basque laborers of Bizcaya, and to a less degree of Guipuzkoa, are united by their immediate personal interests in demanding some sort of regional or national autonomy.

The great industrialists, on the other hand, are almost all opposed to the program of the nationalist movement. Their interests are Spanish, not Basque; their market lies in Spain. Locomotives and ships are built for all Spain, while the foundries and factories sell more of their products in other parts of the kingdom than in the Basque country. The generating stations and distribution areas of the great power concerns are both inside and outside the Basque provinces; the banks have branches all over Spain. All these Basque interests look to the government in Madrid for their legislative needs. Industry is heavily protected by the Spanish tariff, and industrial magnates have been bound to the Spanish court by honors and titles of nobility. In their eyes they have everything to lose and nothing to gain from separation. Formerly the Basque provinces were free-trade areas, and in many cases the mineral wealth belonged to the community. What would happen in the event of independence or autonomy?

The present nationalist movement of the Basques had its beginnings immediately after the destruction of the provincial privileges at the end of the second Carlist war. After the publication of a number of books and pamphlets lamenting the loss of their autonomy, a literary and political group

organized at Pamplona, Navarra, the society known as Euskara. The society established a review with the same name, having as its object "to conserve and propagate the language, literature and history of Vasko-Navarra." The review suspended publication after five years, but interest in the problem continued, supported by a passionate localism among the people. In 1893 this feeling broke out anew in a protest against an attempt by the Minister of Finance to alter the economic convention between Navarra and the central government, in which is conserved all that remains of the local privileges of Navarra. At this time Sabino Arana y Goiri and Estanislao Arazadi, one of the founders of Euskara, formulated the idea of a Basque national movement in the modern sense, with the object of awakening the Basque people to a consciousness of their culture and ideals. Basque centres were founded in the chief Basque cities, Bilbao, San Sebastian, Vittoria and Pamplona, and reviews and newspapers were established for the propagation of nationalistic ideas. During the World War the movement received a great impetus because of the discussion of the rights of small nations, the doctrine of self-determination being absorbed bodily into the Basque national ideology.

During the dictatorship of Primo de Rivera, from 1923 to 1930, all regional movements in Spain were rigorously suppressed. The Basque centres were closed, leaders were prosecuted and newspapers suspended. With the removal of the dictatorship the movement took on renewed life, seizing upon the crisis in the affairs of Spain as a golden opportunity to consolidate its former gains and make every possible advance toward the future. Today the Basque national party is probably more powerful than ever.

In all the larger towns and in a rapidly increasing number of villages there are now Basque centres which carry on the movement. The most important section of the work of the

centre at Bilbao is devoted to the teaching of the Basque language. In addition, the society conducts classes to teach the traditional dances and songs of the people, maintains a library and supports a theatrical group for the production of Basque drama. There are also courses in economics, which consider especially the problems of the Basque provinces. Other Basque groups are devoted to the more serious study of Basque culture. Their members are older men, generally scholars and teachers, and their publications are of a more serious and lasting nature. The most important of these are learned societies which publish the results of research in the Basque language, literature, history and folklore.

At present autonomy is acceptable to the Basque Nationalist party only as a step toward their goal of complete self-determination. This fact reveals the chief difficulty confronting the movement—the division of the Basques among themselves. Many Basques are more attached to Spain than to Euskalerrria. The Spanish Liberals and Republicans, of whom there are many in the Basque country, are opposed to Basque nationalism as subversive of the interests of the Spanish nation. The monarchists naturally consider the movement as little short of treason. Even in the Nationalist party there is a dangerous division between Right and Left. The Right holds to the legend of Arana y Goiri, "God and the Ancient Laws"; the Left maintains that religion is a matter of personal belief and not for political discussion. A still more serious division is that between Navarra and the other Basque provinces, which hampers concerted action between them. This feeling is centuries old, and grew out of the long wars between Navarra and Castile. Yet the movement is powerful in all the provinces. It controls important daily and weekly newspapers in Bilbao, San Sebastian and Pamplona, and in other ways makes itself a force to be counted with.

Russia's Struggle for Industrial Independence

I—The Economic Conflict With the United States

By ELI B. JACOBSON

[A native of Latvia, the writer of this article came to the United States in 1907, was naturalized in 1912, received the degree of Ph. B. from Yale in 1917 and did graduate work at Columbia and Berlin. He was Professor of American Literature at the Second Moscow University, 1929-30, and in 1930 was engaged in special research work for the Amtorg Trading Corporation. He has had personal contact with American industrial experts in Russia and has trained translators and guides for various industrial enterprises now being created in the Soviet Union. He states that documentary material is available for the substantiation of any of the facts given in the article.]

A CUSTOMER buying \$150,000,000 worth of merchandise and selling only \$30,000,000 worth is obviously a good customer. The year 1930 brought \$120,000,000 in gold from the Soviet Union to America and \$30,000,000 in goods which are alleged to have been "dumped" on us. The prevailing principle in foreign commerce is balance of trade. Imports must be paid for by exports. The present relationship between the United States and Russia is approximately 83 to 17, the United States enjoying the favorable balance, exactly as it did in 1929 and as it will continue to in the immediate future.

What forces are at work aiming at the curtailment or hampering of Soviet-American trade relations? They may be grouped as follows: Small local producers; foreign economic interests; Russian émigrés; professional "Red" baiters like Hamilton Fish Jr. and Matthew Woll. These naturally

find Russia an excellent means of political preferment and the achievement of dubious notoriety. In reality they are foils in the hands of the American producers who wish to destroy all competition by fiat, and of foreign manufacturers, like the Swedish Match Trust, who do not relish Soviet competition in America, or those in Great Britain and Germany who prefer to see the Soviet Union depend more upon them for its purchases than upon America.

What, then, is the character of the Russian imports into the United States? Fifty-six per cent of all imports by value, entering the United States in 1929, consisted of manganese (24 per cent), undressed furs (19 per cent), and sausage casings (13 per cent). The balance is distributed among such goods as caviar, licorice root, lumber, anthracite, bristles, matches, peasant art and handicraft goods. It is significant that the finished manufactures did not exceed 10 per cent of the total. In short, 90 per cent of the commodities imported were raw materials, or producers' goods to be used for further production.

It is thus evident that, in the main, only three economic interests find themselves subject to competition—the precarious lumber, the generally sensitive coal and the "infant" manganese industries. These are the very interests which have evinced so much anti-Soviet activity, especially in the

lobbies at Washington. It is they who raise the hue and cry of "convict and forced labor," "dumping" and a "low standard of living," in the Soviet Union.

The word "precarious" is applied to the lumber industry of America because of the decline of the forest resources of the United States rather than the present actual turnover. "The total annual drain is declared to be four times as rapid as replacement through annual growth," says a circular issued by the United States Department of Agriculture. Although the cut lumber production in the United States is reported to have declined 5 per cent from 1913 to 1929, the production of spruce, the chief lumber import from the Soviet Union, was halved during the same period.

The United States is still the greatest exporter, importer and consumer of lumber in the world. It still exports twice as much as it imports. It consumes two-fifths of the world's total requirements. It produces and consumes over half of the paper of the world. This position of the United States as the greatest lumber consumer and exporter, coupled with the depletion of American forest resources, naturally stimulates imports. We buy most from Canada which was responsible for almost three-quarters (71 per cent) by value of American lumber imported! But imports from the Soviet Union to America were only 1 per cent of this total.

Similar stern economic forces are at work in the field of pulpwood, the chief raw material of paper and newsprint. While the imports of pulpwood in 1929 have decreased by over 7 per cent when compared with the annual average between 1924 and 1928, and by almost 13 per cent as compared with 1928, the imports of paper and standard newsprint have increased 38 and 12 per cent respectively, the chief source being in Canada. But in recent years both Canada and Newfoundland have imposed serious restrictions on such exports, compelling many Ameri-

can pulpwood paper manufacturers to establish plants in Canada.

John Hinman, vice president of the International Paper Company, replying at a hearing to a question by Seymour Lowman, Assistant Secretary of the Treasury, said that pulpwood mills were transferred to Canada because "we cannot import the pulpwood. Ninety per cent of the wood in Canada is non-exportable because the land is owned by the government, which requires the wood to be manufactured in Canada into paper."

The United States has witnessed a decrease of wood pulp establishments from 219 in 1927 to 189 in 1929. It is not surprising, therefore, that Canada's production of newsprint paper (85 per cent of which is destined for America) surpassed the domestic manufacture by 1,300,000 tons. In these circumstances the United States became a natural market for Soviet pulpwood, although the latter was represented in 1929 by only 6,481 cords out of a total pulpwood importation of 1,350,722 cords and in 1930 by 240,000 cords, or 17 per cent of the total United States imports.

More than pulpwood, Soviet anthracite affords the best illustration of a tempest in a teapot, for the entire coal importation from the Soviet Union represented but one-third of 1 per cent of the total American coal production in 1929. Practically all the Soviet coal was unloaded on the New England coast and consumed in those States or re-exported to Canada. Owing to heavy rail transportation charges from the Middle West and Southwest, British coal has always found a natural market in New England, and in 1929 when Russian coal made its début, began to react snapshy to Soviet competition. Thus Soviet coal found its rival not so much in the American as in the British product. Economically speaking, Soviet coal has a definite if limited place in the economic life of the United States, even when confined to the New England States.

The importation of manganese presents a different aspect. In the seven-year period 1923-29 over 4,375,000 tons were consumed in the United States; of this amount 4,000,000 tons were imported, the Soviet Union contributing 1,300,000 tons during this period, or about 33 per cent of the imports, as compared with 36 per cent in 1913 and 34 per cent in 1914. During the last two or three years, however, Russian manganese imported into the United States has varied between 45 and 50 per cent of all our manganese imports.

Manganese is an essential element for the production of steel, but the infant manganese industry of the United States has not even begun to meet the demand of the steel and other industries. Between 1910 and 1914 we produced just 1 per cent of our manganese requirements (domestic production 13,000 long tons; total consumption 1,300,000 tons); between 1915 and 1920 it rose to 20 per cent (461,000 tons out of 2,366,000 tons) as a result of the war situation when cost was no factor; between 1919 and 1929 it again fell to 9 per cent (561,000 out of 6,303,000 tons). Between 1912 and 1914 Russia contributed 48 per cent of the world manganese production (2,926,320 out of 6,060,000 metric tons); during the war and civil struggle Russian production decreased, but in 1928 it rose again to 1,165,000 tons, or 40 per cent of the world production for that year. In any case, American domestic production of manganese has been and will remain negligible with respect to consumption. Russian manganese therefore will continue to give offense not only to the small producers in this country but also to manganese producers in Brazil, India and Africa who are lagging behind Russia in their sales to America.

Furs, sausage casings, caviar, licorice root and other miscellaneous items like candy and peasant art goods have aroused little or no controversy.

The Soviet Union occupies the eighth place in the list of fur ex-

porters to the United States, the leading items being squirrel, fox and ermine. During the first six months of 1930 these composed, respectively, 20.3, 8.7 and 7 per cent of our total importation of these types of fur. While America ranks third on the market for Soviet fur exports, it must be kept in mind that a very large percentage of Russian furs exported to other countries is re-exported to the United States.

In spite of the rapid development of the sausage industry in the United States, even the necessary sausage casings, if Russian-made, are subjected to fumigation on entry, a requirement which applies only to the Soviet Union. Out of \$15,000,000 worth of casings imported in 1929, the Soviet Union's share was \$2,800,000, or 18.3 per cent, outranking every other country, including Argentina, China, Australia, New Zealand and Canada. With the collectivization of agriculture and animal husbandry in the Kazak and Kirghiz Soviet Republics, long noted for their sheep and cattle country, the inflow of sausage casings into America may be expected to increase.

No mutterings are heard with regard to caviar and licorice root. The Soviet Union is the only source of real caviar, while the foreign demand for Russian licorice far exceeds the ability to supply it. Nor can Soviet candy imports touch the sensibilities of the American manufacturers for the very good reason that they form about one-fiftieth per cent of the total American production of sweets and chocolates (\$63,000 out of \$400,000,000). Peasant art handicraft products, on the other hand, find a very favorable reception in this country by those who care for the exotic, the odd, the antique or the artistic. These Soviet imports are, by and large, non-competitive with domestic production and occupy definite niches in our economic structure.

Quantitatively, as has been pointed out, Soviet goods compose but a minute fraction (less than 10 per

cent) of all foreign wares finding entrance into this country. From that angle, a "dumping" charge carries little weight. Can the charge be justified on the principle of unfair competition? Do the Soviets undersell domestic products at a price below normal? Do they endeavor to obtain the maximum or minimum price? Such questions are best answered by the market prices Russian commodities bring in America.

Let us first take manganese. *Iron Age* for Oct. 9, 1930, quotes "manganese ore, washed 52 per cent manganese from the Caucasus, 26 to 28 cents." It then proceeds to quote the very same prices for Brazilian, African and Indian ore. The same price level is substantiated by *Steel* for Sept. 4, 1930. Here it might be added that on Feb. 24, 1931, Secretary Mellon issued a decision that the finding of dumping in regard to Soviet manganese was "not justified."

Soviet lumber, chiefly spruce, the importation of which equals only about one-eighth of 1 per cent of the total American consumption, actually commands higher prices than domestic or Canadian spruce. N. H. Oxholm, the director of the Lumber Division of the United States Department of Commerce, wrote on May 3, 1930: "There is no better lumber in Europe than Russian pine or spruce. Quality for quality, I believe that more money has been paid for Russian lumber than for corresponding species from Eastern Canada. I do not believe that this Russian lumber comes into direct competition with the majority of American woods."

The dumping charge against pulpwood was completely destroyed by testimony at the hearing before Assistant Secretary Lowman. George W. Sisson, president of the Racquette River Paper Company, stated that "the cost of this pulpwood from Russia is more than we have to pay here for Canadian pulpwood, and the contracts into which we have entered prescribed a higher price than that

which we have been paying for Canadian pulpwood. The buying of this pulpwood is not displacing the work of one single American laborer. There is no such pulpwood that could be purchased anywhere in the United States."

Some objections were made against Soviet coal, but as it sold for \$1 per ton higher than either American or English coal in 1930 the objections on the ground of dumping have been reduced to mere whispers. Dumping charges have not been leveled at sausage casings, furs or licorice root. Russian wheat came in for a short-lived outburst of excitement last Summer, the issue then being "short-selling." Soviet matches, although they actually sold at a higher price than those imported from other countries, were subjected to a dumping duty by a United States Treasury ruling in May, 1930. This dumping duty, however, also applies to matches imported from other countries like Sweden.

Although present wheat production is somewhat above the pre-war level, Russian grain exports have decreased. The real reason for this decrease, according to the United States Department of Agriculture, "is not decreased production, but rapid expansion in Russian wheat consumption. This large increase in consumption is due to the rapidly increasing population and also to an increased per capita consumption of wheat, with a shift from rye to wheat foods."

Not only has the exportation of wheat decreased, but the entire export trade of all commodities equaled in 1929-30 two-thirds of the pre-war figures, whereas the gross production for 1929-30 was 50 per cent greater than that of 1913 by volume. As the policy of the government is to make the Soviet Union absolutely self-sufficient, its sole reason for exporting goods is to obtain means wherewith to pay for its imports, which consist chiefly of machines and parts used in the building up of its own industries.

It is obvious that the higher price the government obtains for its goods the more easily it is in a position to industrialize the country.

The "dumping" campaign failing, the slogans "convict labor," "forced labor," and "low living standards" were resorted to. Thus far the "convict-forced labor" campaign has been the most successful in placing obstacles in the way of Soviet-American trade. The "forced labor" charge is a sort of contraction of the former all-inclusive "convict-labor" charge. It is directed primarily to pulpwood and timber.

The United States Treasury has twice placed embargoes on Soviet pulpwood. The first order, issued without warning on July 25, 1930, stated that "evidence in the hands of the treasury seems to establish the fact that pulpwood is being manufactured there by convict labor." Hardly a week later the embargo was lifted when a hearing before Assistant Secretary Lowman and Commissioner of Customs Eble revealed the charges to be unsubstantiated and conflicting. On Feb. 10, 1931, the treasury again laid an embargo on lumber and pulpwood from four White Sea districts, where the treasury claimed to have evidence that convict labor was being used. This ruling placed the burden of disproving convict labor on the importer. It is a fact, however, that convict labor has never been used in the regions in regard to which the government demands such proof.

The Gray Report on forced labor issued by the International Labor Office of the League of Nations in 1930 enumerates all countries (not exclusive of the United States) and possessions turning out products by means of forced labor. The Soviet Union is conspicuous on this list by its absence. Forced labor is practiced, according to this report, in most colonial countries some of whose products are legitimately sold in the United States. Yet no animus is

evinced against these definitely established instances of forced labor. That the institution of forced labor is firmly established and widespread among the member nations of the League is implied in the proposed Draft Convention looking toward the gradual abolition of such labor:

Article I. Each member of the International Labor Organization (that is, each country) which ratified the present Convention undertakes to suppress the use of forced or compulsory labor in all its forms. Nevertheless recourse may be had to forced or compulsory labor for public purposes during a transitional period as an exceptional measure.

Walter Duranty, Moscow correspondent of *The New York Times*, stated on Feb. 2, 1931, that "each concentration camp forms a sort of commune where every one lives comparatively free, not imprisoned, but compelled to work for the good of the community. They are fed and housed gratis and receive pay for their work, though on a lower scale—perhaps one-third is the average—than the outside rates." Those sent from the commune to the northern lumber camps or the Turksib Railroad, continued Mr. Duranty, are paid "at the usual trade union wage rates, with a chance to become union members, that is, to regain their lost citizenship, if they did their job properly. * * * They are certainly not convicts in the American sense of the word. * * * Their status is identical with that of the rest of the force, whether the latter is local labor or Communist Youth volunteers. They get the same wages and share the same hardships or comforts."

Already several new model prisons have been established like that at Bolshevo, near Moscow, on the principle that the criminal must be transformed into a responsible citizen, self-respecting, self-supporting and socially conscious. This is accomplished by teaching him a skilled trade, by establishing self-government within the prison and by removing all external evidences of force such as bars,

locks, guards. The idea of punishment has been eradicated among prison authorities; the very word "penalty" has been dropped from Soviet jurisprudence. Henceforth all prisons are to be turned into industrial communes, allowing for family life, permitting outside contacts, granting prisoners on their free days the privilege of visiting neighboring cities. At present the wage rates and hours of labor in most camps approximate pretty closely the wage rates for free labor. The Five-Year Plan calls for a removal of all discrepancies between the wage rates and length of hours for prisoners and those for regular workers.

This bare outline of the actual status of "forced" labor in the Soviet Union leaves little ground for the exclusion of Soviet goods for moral reasons. The Treasury Department, evidently attempting to placate all economic groups in this country, based its recent pulpwood ruling on findings made without a hearing. The indefinite continuance of such a ruling, causing uncertainty and doubt, would tend to circumscribe Soviet-American trade, especially now in the absence of normal diplomatic relations between the two governments.

Persistence in checking Russian imports would naturally tend also to hamper Soviet purchases of American wares. What has been their character during the fiscal year 1929-30? Agricultural machinery and parts, \$67,000,000; industrial machinery and power plant equipment, \$50,000,000; raw cotton, \$16,000,000; cars, trucks, motor cycles, motor boats, \$6,000,000, and another \$10,000,000 for non-ferrous metals, paints, dyes, chemicals and miscellaneous—a total of \$149,000,000, showing an increase of 38.6 per cent over the total of the previous fiscal year (\$108,000,000). As already stated, this left a favorable balance of \$120,000,000 for the United States. The unfavorable balance for the Soviet Union was met partially by the favorable balances the Soviet

Union enjoyed with some European countries. With Great Britain, the favorable balance for the Soviets was \$40,000,000; with Italy, \$15,000,000; Latvia, \$28,000,000. The total Soviet foreign trade, however, that year showed an unfavorable balance for Russia of \$33,000,000. For the first quarter of 1931 the adverse balance was about \$26,000,000, as against \$18,500,000 for the first quarter in 1930.

Probably the only commodity now exported from America to the Soviet Union that will experience a decrease in demand will be cotton, owing to the construction of the Turksib Railroad, and the resultant accessibility of Turkestan where there are vast cotton resources. But the opposite will hold true with respect to agricultural, industrial and transportation equipment. The equipment required to build up the iron and steel industries defies calculation at present. The non-ferrous metal industries (copper, zinc, lead, aluminum) are in an infant state, and all sorts of machinery must be bought.

The complete collectivization of agriculture and animal husbandry will require all sorts of machine-building machinery; the tractor and agricultural implement plants at Stalingrad, Cheliabinsk and Rostov are a mere beginning. Similar plants are to be established at all strategic points throughout the Soviet grain area. Even so, there will still be demand for combines, machines and implements for the cultivation of vegetables and fruits, as well as packing, dairy and animal husbandry equipment.

Engineering projects are now in the course of construction in the coal, oil and chemical industries, opening an extensive market for mining and oil-well and oil-refining machinery as well as chemical equipment.

The obvious and expected effect of the baiting of Russia by politicians and labor leaders voicing the short-

sighted views of certain business interests in this country is already apparent in the substantial contraction of Soviet trade with America. In the six months ended March 31, 1931, the trade of the Soviet Union with the United States was 44.8 per cent less than in the corresponding period in 1930, and to judge from the enormous orders for machinery, electrical and other equipment that have been placed with Germany, Italy, Poland and Great

Britain by Russia, America's trade will be confined to a fraction of what it is at present and to such articles as cannot be purchased elsewhere. The vast opportunity for American industrial experts, with absorption of American unemployed by the Soviet Union, is today at its peak and would continue to grow if no artificial obstacles and barriers to normal intercourse between these two similar, yet dissimilar, countries were not interposed.

II—Russian Workers Under the Iron Heel

By VINCENT VOCOVICH

[The writer of this article was for five years employed as chief clerk and cost accountant instructor in three Soviet Government trusts in Siberia, the Ukraine and Leningrad, besides occupying various positions in Russia in connection with industrial and social activities. Originally a miner, he obtained a college education in the United States and before going to Russia was engaged in industrial and social research work. He is now an official in New York City of one of the New York Central Railroad unions. The editor has established Mr. Vocovich's qualifications and credibility by inquiries among reliable authorities to whom he is known.]

ALTHOUGH the question of forced labor by convicts in the Soviet Union remains highly controversial and causes considerable concern among workers in other countries, it is asserted that the workers of Soviet Russia are as free as their fellows in any capitalistic country and that relatively they are much better off in this period of industrial depression. On the other hand, conservative labor leaders, such as William Green and Matthew Woll, president and vice president respectively of the American Federation of Labor, contend that the workers in the Soviet Union are forced to labor under compulsion and are deprived of the rights of free speech, free assembly and free press.

Free labor may mean one thing in

one country and something quite different in another. When a worker labors under the influence of a peculiar social philosophy his position may appear to be one of compulsion and enslavement to the workers of another country, so that what seems to be free labor to the Soviet leaders and their sympathizers may be regarded as forced labor in America and other capitalistic countries.

In the Soviet Union a worker is engaged either through the State Labor Exchange or directly by the factory administration. Friends and relatives of the factory administration and of union and Communist party leaders secure employment directly, while a worker without friends and relatives in factory official circles must wait for his turn at the State Labor Exchange. When a worker registers at the State Labor Exchange he must pass a rigorous examination as to the qualifications he claims to have for the position for which he applies. Those employed directly by the factory administration usually escape the annoying detailed questioning regarding their ability and qualifications. The examiner grades the applicant and sends him to work in a factory where the demand for his kind of labor is most urgent. When qualified workers cannot be found to fill the

vacancies, those with a different training are sent, and they must accept the work, irrespective of their trade or profession.

When a Soviet worker reaches the factory he has to visit at least eight different officials to obtain approval of his application. He starts with the superintendent of the department in which he is to work. Then he gets a certificate from the Militia stating that he is a registered citizen and that there is no criminal charge recorded against him. The housing department or the housing committee verifies his residential rights; the medical examiner certifies that he is physically fit; the local labor union affirms his loyalty to the Soviet régime and to union principles; the chief clerk of the factory approves his employment and sends the applicant to his final destination, the factory labor department, where he files a detailed record of his past and present social, economic and political status. It takes two or three days to complete this routine of securing signatures. When all the officials have given their approval the applicant is given one week's trial. Should he fail to qualify, he is either demoted and placed in a lower rank or he is discharged. In the case of a clerical worker the probation period is two weeks, and for those engaged for responsible administrative positions it is four weeks.

Practically every government trust maintains what is known as the "secret mail" department. When a worker is hired for a responsible administrative position the records of his previous employment are obtained, as well as reports from the public officials of the community where he resided as to his general conduct and loyalty. Should there be the slightest doubt about his acceptance of the Soviet régime, he is, at the expiration of his four weeks' trial, rejected on the ground of "failing to qualify."

A worker securing a responsible position must answer several questionnaires. Technicians and office work-

ers in the general office of the trusts do likewise. The longest of all is the one required for the files of the Supreme Council of National Economy. It contains four large pages of questions and includes details regarding the applicant's family for two previous generations, his social, economic and political status, property, military services and ranks, and connections with the old régime. The history of each grandparent and each parent must be given separately, as well as the applicant's autobiography. It takes at least six hours to answer the questionnaire properly.

Wages, hours and working conditions are regulated by the collective agreement concluded between the factory administration and the industrial labor union. The Soviet worker must abide by those conditions and cannot conclude any other arrangement with the employer. If he does not join the union, he is not permitted to work in a Soviet State industry. He cannot leave his employment without the consent of the factory administration and of the union.

The conditions included in the collective agreement are based on instructions from the Moscow authorities and arranged by the factory administration and the union leaders. These administrators are loyal and tried Communists under obligation to execute faithfully the orders of the higher authorities. The collective agreement is presented to the workers at a general meeting in its final form. Acceptance is secured, if necessary, by agitation, coercion and threats. The Communists are organized for the purpose of convincing the workers of the fairness and practicability of the arrangements embodied in the collective agreement, though aware in most instances that its terms do not correspond with the workers' needs. The Communists, however, being under party discipline, must see that the workers accept the collective agreement as presented.

The non-Communist workers, know-

ing the probable consequences of criticism, are afraid to oppose the wishes of the Communists. Because of the risk of losing their position, the workers listen in silence to the oratory of Communists trained for the purpose. Opposition to the terms of the collective agreement is not tolerated, and if the workers should vote to change them the Communist leaders would disregard the decision. The only modifications allowed are those which are consistent with the original arrangement. The workers are, therefore, forced to accept the wages, hours and working conditions inserted in the collective agreement by the Communists.

Every worker is insured. The industry pays approximately 10 per cent of the total payroll to the social insurance department, and the worker or his family receives aid in case of illness, accident, unemployment or death. Medical attendance is free, but the doctors and hospitals are under government control, and so the worker must accept whatever service is given him without being able to choose his own doctor or his own hospital. Under these social insurance arrangements savings are not necessary, and the Soviet worker usually wastes his money on strong drink. Hence widespread drunkenness and absence from work on large scale. The Soviet worker sings in his joy, "What is tomorrow for me? Today is pleasure sublime."

In the Soviet Union one political party and no other is permitted. All must think politically as Communists. No one is allowed to express an opinion regarding the policies of the Communist party, which it is assumed can do no wrong. Any one daring to question this must be prepared to face the consequences of humiliation and punishment by permanent unemployment, a long prison term, exile or shooting. The mere expression of opinion in opposition to the dominant political power is sufficient to incur such penalties. Not only is there but

one set of political opinions; there is no other newspaper press but that of the Communists through which these views can be expressed. Even divergent interpretation of Communist principles is considered inimical to the dictatorial power. Communist politicians tremble when they attempt to define their ideas, for the slightest deviation from the accepted doctrine is punishable by humiliation and the disgrace of being an "enemy of the Workers and Peasants State."

The worker may, however, criticize the administration, union and party leaders through the Communist press in the form of letters to the editor. After a letter is read it is dealt with in one of three ways. If it is consistent with Communist ideas, it is printed; if it contains criticism of the policies of the Communist party and its organs, it is sent to the G. P. U.; if it criticizes the management of an industry or the union or party leaders, it goes to the secretary of the District Communist party. The letter and its author are thus dealt with as seems fit, but only Communist sentiment is permitted to find expression in print. Similarly, all assemblies, demonstrations, speeches and ovations are arranged by Communists. No individual or group is permitted to arrange a meeting of any kind. In short, the right to think, to express ideas and to speak is confined to Communists. Any one desiring to exercise what he might think are his natural rights may do so at the risk of being imprisoned or shot.

For several days after a new worker enters a shop he is watched from all quarters. Several ears are listening to his stories. The chairman of the shop production bureau, the secretary of the shop executive committee, the secretary of the shop cell of the Communist party and the members of the Shop Communist party fraction—all are interested in meeting him, while the volunteer committee of the shop G. P. U. seeks light on the newcomer's past and his

present attitude toward all phases of the Soviet political and economic system, including the dictatorship.

The duties of the various agencies organized in every shop and factory in the Soviet Union are to secure information about what the workers are thinking, saying and doing. Trusted Communists are placed at the head of these agencies to see that every Communist in the shop performs his duties in accordance with the instructions from the higher authorities. By virtue of being a member of the party every Communist is a spy. He is obliged to report all suspicious characters to the secretary of the shop cell, who transmits the information to the local bureau of the Communist party. A worker's antecedents are thus known to the officials before he has a chance to acquaint himself with his new surroundings.

This system of espionage has enabled the Communists to weed out undesirable elements from among the workers. While this was going on the workers lived in a state of suspense, wondering what was happening to those of their comrades who were being quietly removed from the shop. Even the undesirables who were exceptionally careful and participated in social activities under the supervision of the Communists were trapped. As the weeding-out process continued, the workers became terror-stricken, and having witnessed the fate of their comrades they learned to trust nobody. Now, whenever a worker begins to talk about the Soviet Government or the Communist party his companions turn their back on him and go away, for they see a spy in every man. It requires considerable time before two men can gain confidence in one another and become friends. Even then each of them will keep to himself his private opinions of the Soviet Government and the Communist party. Silence in Soviet Russia is more than golden. It is the safeguard of employment and protection against the prison bars. Every worker thinks twice be-

fore he whispers anything that should not be heard by a Communist. That explains the conflicting nature of the reports of the conditions in the Soviet Union that are published in Western Europe and the United States. It is futile for any casual visitor or foreign journalist to attempt investigation of actual conditions. To the outsider it seems cowardice not to speak the truth, but to the Russian worker silence means safety.

When promotions are to be made in a shop the leaders of the various agencies fill the vacancies in conformity with the instructions of the central organs of the Communist party which prescribe the appointment of Communists to all administrative positions, irrespective of experience, ability, fitness and training. The secretary of the shop Communist cell recommends the selected candidate to the local bureau of the Communist party and the secretary of the bureau arranges the appointment with the factory director, who is a trusted Communist of higher standing than the union and party leaders in the shop. He is supposed, however, to cooperate with all selected leaders and usually accepts their recommendations. The non-Communist worker must possess exceptionally high qualifications as a technician and be of unimpeachable loyalty to the Communists before he is appointed to a responsible position.

Whenever the Communists decide to rid the shop of an undesirable worker or administrator they organize a "shock brigade" for agitation among the workers. Gradually the antagonism spreads until it is unmistakable, and then at a meeting of the production council the Communists bring charges against their victim, magnifying his most trivial errors and exaggerating his shortcomings. Though the purpose of the production council is the exchange of views on technical subjects and the elimination of defects in production, the Communists skillfully utilize the occasion to attack the

undesirable worker or foreman, usually on the ground that his inefficiency and lack of technical ability are detrimental to both State and proletariat. Once a worker or foreman is in the bad graces of the Communists in the shop he may as well leave at once. Some workers well aware of the tactics employed by the Communists, resign before fire is opened on them and before they can be branded as enemies of the people. They thus escape the humiliation which befalls those who do not understand the system whereby the man who dares to defy the Communist authority is ruined.

At the yearly election of the factory executive committee and its secretary the various fractions and secretaries of the Communist organizations function in unison. A pre-arranged list of the selected candidates is presented and the most eloquent orators take the floor. The list of candidates is approved by the district Communist party committee, the district union and local bureaus and fractions.

Everything is prepared carefully for the pompous ceremony of election and to see that nothing should embarrass the orators when they rise from different corners of the hall to uphold the character and loyalty of the selected candidates. Able speakers among the Communists are held in readiness to reply in case of opposition from the non-Communist workers. Outwardly the election meeting appears to be democratic. Every worker has the right to vote and to criticize whomever he pleases. He may attack the work of the executive committee, the secretary and the factory administration. He also has the right to nominate candidates from the floor. But the Communists have established a rule that every speaker must give his name to the secretary so that it and also his criticism may be recorded. But the wise workers have learned that it is better to sit quietly and listen to the squabbles

of the others. In fact, they attend the meeting only to show themselves to the shop administration, since too frequent absences may become suspicious.

The Communists divide the candidates between Communists and non-Communists to make the elections appear fair and democratic, but 51 per cent are Communists to make sure of a majority on the executive committee. Non-Communists may be nominated from the floor, but not beyond their quota. Whenever an undesirable worker seeks election, he is disqualified by the district authorities, who simply mark across his name "Not Qualified." The secretary of the factory executive committee is invariably a Communist. If a skilled agitator cannot be found among the workers in the factory, the district Communist party imports one from another factory. No one dares to question the exclusive privilege of the Communist party to reserve the post of secretary for one of its faithful and trusted members.

The Communists well know that free and democratic elections would remove most, if not all, of them from office. Freedom to choose the place of work, employer, wages, hours and working conditions would mean that few workers would select Communists for their industrial administrators. Measures of virtual enslavement alone make the Russians work under the existing conditions. They know they are forced to work and to raise their hands at the meetings, but there is no way out. They protest against the tyranny by disregard of discipline, by drunkenness, and by absenting themselves from work. They cannot organize to overthrow the despots. Silence or punishment is the alternative. They prefer silence and the country progresses slowly. The miseries and merciless exploitation of the down-trodden Russian workers are shadowed by fear and terror, while the desperate multitude is compelled to shout with grim smiles, "Long Live the Dictator."

Dwight F. Davis: Governor General of the Philippines

By H. FORD WILKINS

Managing Editor of the Manila (P. I.) Bulletin

ONE of the most delicate and important appointments made by a President of the United States is that of the man to sit in the crested mahogany chair behind the executive desk at Malacañan Palace, Manila. The Governor General of the Philippines ranks with high Cabinet members. Supposedly he is monarch of all he surveys in his tropical domain. Actually he is sent to the Philippines with his hands tied behind his back, and at the risk of his health and nervous equilibrium told to keep peace and order in the islands until Washington decides what to do with them, while trying to withstand Filipino resentment at American control with only the power of veto over Filipino legislation.

The man who accepts the Governor Generalship must resign himself to virtual political exile from his own country. Working 10,000 miles from Washington, in an atmosphere as entirely different as white from black, complete knowledge of executive views and problems in Washington is impossible to a Governor General. The reverse is doubly true. Washington can never appreciate fully the manifold problems that beset a Governor General, changing as they do from administration to administration. Once he is installed in Manila he is thought of as something so geographically remote that public interest is dulled. Dwight F. Davis of Missouri, the

present Governor General, was appointed to office in 1929 and arrived in Manila in June of that year. He had been Secretary of War in the Coolidge Cabinet, but previous status, fame or popularity can do little to alleviate the exile. He succeeded Henry L. Stimson, now Secretary of State.

Outwardly conditions were fairly tranquil when Governor Davis assumed office. Eugene A. Gilmore, for eight years vice governor of the islands, had kept things running smoothly during the interregnum after Mr. Stimson's departure. But trouble was brewing in Washington. Home interests were demanding of Congress that the Philippines be given their independence in order that the duty-free privilege of Philippine sugar and cocoanut products might be abolished. Several new bills proposing independence were introduced into Congress shortly after Governor Davis took office in Manila. As a result he faced not only the difficulties of an enormous new job in a strange land but the problem of quieting the excitement over possible independence and of turning the Filipino national mind to economic matters. In his inaugural address he declared his intention of keeping out of politics and stressed the need for the economic development of the islands and for honesty in public office.

The Davis Administration has adhered so closely to well-defined prin-

ciples that it is capable of analysis in a few phrases. The root and fiber of its success is in the Governor's personal attitude to the Filipino people. He furnishes ideas and the Filipino people use them. He suggests courses of action in the crises of government and generously gives even the credit for suggestions to Filipino officials whose departments deal with them. The keystone of his administration is tact. He is a psychologist in the broadest sense of the word—the practical sense. Endowed with a splendid physique, a strong character and an attractive personality, he overcomes the countless obstacles that lie in the way of peace and orderly progress.

Too often in Philippine affairs it is the seemingly insignificant things that cause the most trouble to an executive. Such a problem requiring a grasp of mass psychology was the appointment of a chief of police for the city of Manila. This position, like those of judges and certain provincial officials, is filled by the Governor General with the advice and consent of the Insular Senate. That body may refuse to confirm, whereupon the Governor may reappoint, ad interim. In the past some of the most vital legislative-executive differences have originated over appointments.

The office of chief of police was vacant at the time of Governor Davis's arrival and was being filled by an assistant chief, a Filipino. The situation was complicated by the desire of Filipinos to fill every municipal, provincial and national office. The incumbent was eligible for appointment as chief on the grounds of priority and capability, but, by an unwritten rule, the office had always been held by an American. After several months of deliberation the Governor General announced the appointment of Columbus E. Piatt, an American, who was the head of the police traffic squad. As he was now placed over Filipinos who previously had been his superiors, an immediate outcry arose from Fili-

pino quarters, and non-cooperation was threatened. Several Senators "confidentially" assured the press that the appointment would not be confirmed. Apparently the new Governor General had made his first mistake. But as time went on and the new chief of police conducted affairs wisely and with tact, the matter was forgotten. The Senate confirmed the appointment without debate and the Governor General was given credit for a firm and fearless decision.

The principal products of the Philippines are agricultural—sugar, copra, hemp, timber, tobacco and rice. Not enough rice is raised for home use, but the other crops are exported and provide the main taxable wealth of the country. Aliens in the Philippines (including Americans) pay approximately 80 per cent of the taxes. Only 10 per cent of the land area is under cultivation—11,500 square miles—and more than twice that area is actually listed on government survey maps as unexplored. The average annual income of Filipinos, at the last census, was only about \$7. The poor Filipino *tao*, or farmer, usually producing only enough or less than enough for his own needs, is thus a very vital object of concern in any administrative policy. In practically every public pronouncement while in office, Governor Davis has urged modern and expanded methods of farming to increase the national wealth of the Philippines. For example, he has urged crop diversification. The planting of new crops, however, involves a risk and an investment impossible to the average *tao*.

Governor Davis has evolved a plan to attack the whole problem by creating banking facilities. Steps have been taken to establish an agricultural bank which will make available to the poor farmer small crop loans at comparatively reasonable interest rates. Not only does this plan help the small farmer to make the best use of his land; it is also a blow at the usury, which has long been recognized in the

Philippines as a form of bondage rivaling medieval serfdom. Progressing by careful stages, using the Philippine National Bank as a temporary medium of operations, those connected with the plan are working tirelessly for its success by using the best available international knowledge combined with local resources and shaped to local conditions.

The problem of tax revision has been approached in a somewhat similar way. The present national tax system was obsolete years ago and is generally regarded as imposing many handicaps under present trade conditions.

The hopelessly confused system of land registration and title holding is a recognized bar to progress, which has drawn vigorous protests from Malacañan. The courts are clogged with disputes over land ownership in which titles are buried under a mass of tangled Spanish and tribal ancestry, combined with bad bookkeeping. Early in his administration Governor Davis appointed a commission to investigate and report on this problem, but the commission encountered such an accumulation of defective records as well as so much political hindrance that they had to abandon the task. Meantime a poor farmer seeking through the Bureau of Lands to establish title to a piece of property, which he may have spent half a lifetime in developing, has to go through an expensive legal rigmarole occupying perhaps two, three or five years, always with the risk that an unscrupulous lawyer may swindle him out of the holding in the process. Governor Davis therefore insists whenever he can that the land registration system be reformed.

The crux of the Philippine situation is the budget. In dealing with this yearly problem Governor Davis has shown, perhaps more than in anything else, the iron hand in the velvet glove. It has long been the practice for the Governor General to draw up the budget for the coming fiscal year and

submit it to the Legislature. The House and Senate tinker with it separately for nearly 100 days and then pass on it as a committee of the whole. The finished product usually bears remote resemblance to the original. But the Governor General has the power of veto over the budget, the only real tool of government placed in his hands under the provisions of the Jones act, the organic law of the Philippines. The possibilities of legislative-executive disagreements over the budget veto are not hard to imagine.

Governor Davis has surmounted tranquilly two sessions of budget-making with scarcely any deviation from his original plans. First, he gains a broad view of the country's needs by securing the best available outside advice on world financial conditions. Then he calls into frequent conference all Filipino Cabinet members—the secretaries of the various government departments—and legislative leaders like Manuel Quezon and Sergio Osmeña. From them he learns how the legislative wind is blowing. Working closely with the Secretary of Finance he draws up the budget and submits it without further delay. Each of the last two annual budgets has totaled nearly \$40,000,000. The Governor General has refused firmly to consider a budget that exceeds by one centavo the amount determined upon. If anything, under the present régime the veto power has been increased with regard to the national budget. Governor Davis has found a way to cancel portions of appropriations as well as whole items, thus obtaining new leverage on dangerous riders which sometimes at the last moment have been added to important bills. Filipino lawmakers and political leaders have met Governor Davis half way in budget-making because they like and trust him. He does not bargain and haggle, nor does he nag. He says what he means and what he means invariably is what he thinks is best for the country.

If one could account for revenues dishonestly acquired and for the effort put into thus acquiring them, graft could probably be counted one of the major Philippine industries. There have been many public scandals in the last year and a half. First came the indictment of high officials in the Engineer Island affair, involving thousands of pesos' worth of government supplies. While this matter was dragging along in the courts a great uproar in the press drew national attention to the Bureau of Posts. One hundred thousand dollars in stamps was missing, supplies had been misappropriated, contraband narcotics were found in a government mail sack. When the director of the postal service was found "negligent" by an investigating committee, his resignation was asked for and received by the Governor General.

The finger of suspicion has pointed at the customs, at the courts, at the Bureau of Public Works, at nearly every agency that handles government funds and property. The Filipino press indulges so frequently in sensational exposures of graft that it tires the average appetite. There are many honest and dependable public officials among the Filipinos, but the roots of the evil are in the public mind. The Governor General chooses to use the psychological, the tactful method in dealing with the graft problem. He remains behind the scenes when attacking the graft evil directly, and the entire responsibility for punishment and correction in high places is put upon Filipino officials and upon Philippine governmental, provincial and municipal agencies.

If absence of loud-voice and big-stick methods at Malacañan is conspicuous enough to raise protests against leniency in handling graft, the critics perhaps forget that Governor Davis never fails to appeal to the public on every opportune occasion. He knows that the real root of the graft evil is in the attitude of the people themselves, not in the actions

of errant officials. And so he appeals to the sentimentality of the Filipino people. Big-stick methods might sound better, might give immediate satisfaction to the public appetite for fireworks, but under present conditions, both of graft and of Filipino-American relations, they also would arouse enough resentment in powerful centres to renew the threat of non-cooperation with the Governor General; and cooperation is essential to keeping peace and order in the country under the present arrangement between the United States and the Philippine Islands.

In the background of every administrative decision in the Philippines is the extreme delicacy of Filipino-American relations and the alleged American promise of ultimate independence for the islanders. Never was this brought so forcibly to public attention as when President Hoover appointed Nicholas Roosevelt Vice Governor of the Philippines in the Summer of 1930. A grand uproar followed in Philippine Government circles, high and low. It was not in any way personal animosity against Mr. Roosevelt, but annoyance with a book he had written, *The Philippines: A Treasure and a Problem*, which said in plain words that the Filipinos were an inferior people and that a policy of benevolent education for self-government instituted by a mistakenly compassionate people had bred in the Filipinos a contempt for America and Americans.

The frenzy of resentment grew apace. Filipino national pride was hurt beyond measure. Should a person holding such views become Vice Governor? A group of Filipino lawyers, with appropriate gestures, threw a copy of the offending book into the sea. Before a crowd of several thousand excited onlookers another copy was burned at the stake, with ringing speeches. A Filipino business man of Manila publicly challenged Roosevelt to a duel, allowing him the choice of weapons and suggesting that they

meet on neutral soil. When Washington reconsidered the appointment and appointed Mr. Roosevelt as Minister to Hungary, preventing a complete upset of the cordial relations so painstakingly constructed by Governor General Davis, there was an audible sigh of relief. But Washington lost a great deal of "face" by the whole manoeuvre.

Governor Davis has proved that the tactful method of governing can be made to work, even in the Philippines. One emotional storm assumed such consequences that he had to take a hand, although to this day there are only a few persons with the knowledge of who was really responsible for ending an unpleasant situation. In April, 1929, an American woman teacher in one of the Manila high schools made what was interpreted as a slighting remark in a classroom. This led to a general high school strike. Students refused to attend classes; those who tried to attend were mobbed and badly beaten; several young girls were attacked by gangs of excited students, forcibly disrobed in the street and left lying in the gutter, while knives were used and a score or more of students were wounded. Police were attacked with the complete abandon that could be inspired only by public approval. Parents sided with their children and held huge mass meetings demanding public apologies for the remark which the teacher did not intend to apply to any greater portion of the 13,000,000 population of the country than was confined to three or four of the most exasperating pupils with whom she had to deal. The Manila City Council took up the cudgels for the striking students. Communist agitators imported from China took advantage of the opportunity to stir up the affair again just when it threatened to die a natural death. Manila gangsters were employed to give new character to the mob spirit (it is perfectly possible to get a person murdered for 50 cents in certain quarters of Ma-

nila) and matters took on an extremely ugly aspect. School authorities were at their wits' end.

Finally there came an ultimatum from the superintendent of schools (an American) fully endorsed by the Secretary of Public Instruction (a Filipino, acting in the absence of a vice governor), closing all the high schools in the city for the remainder of the term and leaving the striking students in a ridiculous position, since the offending teacher had already been removed from her post. The order closing the schools was made by the Governor General himself, but credit and blame for it were equally divided between an American superintendent of schools and a Filipino Secretary of Public Instruction.

Vested with limited powers, Governor General Davis carries a disproportionate load of responsibility. Only a handful of Americans are left in the Philippine Government, and the constant strain of avoiding subtle snares devised to increase Filipino power is wearing on the nerves. Some who know Dwight F. Davis claim that the marks of battle are visible in his strong face and graying hair. Three times the Filipino press of Manila has reported "from sources close to the Governor General" that he intended to resign, giving as a reason his need to join his wife, who is now in France, too ill to rejoin him in the climate of the Philippines. Each time he has flatly denied the rumor, stating that he has no intention of resigning until the task that faced him is carried nearer to completion. Admirably fitted, temperamentally and physically, for the work, Dwight F. Davis possesses pleasing qualities which the Filipinos like and admire. He has sufficient subtlety of mind to meet the onslaughts of Filipino statesmanship and sufficient will-power and foresight to make no promises which he cannot keep. In a land where conditions demand a personal government a strong personality is at the head of it.

Filipino Immigration Viewed As a Peril

By C. M. GOETHE

President of the Immigration Study Commission

THE difference between daily wages for unskilled labor in the Philippines and in the continental United States constitutes a menace to the American standard of living which will continue until we solve the Filipino immigration problem. At present, California bears more of the burden than do all her sister States. Filipinos began to come into California about 1923, when 2,426 were admitted, although during the three preceding years Filipino arrivals annually averaged 618. Between 1923 and 1929 the annual average rose to 4,177. In 1929, 5,795 were admitted. One of the best informed Filipinos in the United States estimates that 65,000 Filipinos are now in the country, 35,000 of them being in California. California officials in 1930 declared that Filipinos would by 1931 "replace present labor in certain hop and tomato districts." The report maintained that Filipinos are vain, unreliable and of rather low mentality, since labor agents in the islands tend to select those of lower mentality as being more docile.

The Filipino, like the Mexican peon, enters one kind of labor after another. An official California report shows them as rice harvesters, asparagus cutters, sugarbeet laborers, melon pickers, tomato pickers, celery planters, hop pickers, apricot pickers, lettuce harvesters. During the 1930 asparagus season, says another of-

ficial report, there were "approximately 360 asparagus camps in the Delta with probably 7,000 harvesters. Of these about 5,500 are Filipinos. Their daily rate for lodgings is frequently 10 cents." When ranch work is not available in the Winter, the Filipinos flock to the cities. Many gravitate to charitable institutions, where, if penniless, they are fed and lodged free. Investigation shows that "they avoid the Salvation Army, too lazy to do required work for bed or meal. They are very vain. When going to wash windows in private houses, they carry their window rags in a brief case, so as to appear as lawyers." Constantly the Filipinos are displacing whites in hotels and restaurants and in all unskilled trades.

Filipino coolies already are moving into other States. They are following the Mexican peons, who have reached Illinois, Pennsylvania, Georgia, even Alaska. In one instance a Filipino labor agent sent 2,000 coolies to Idaho. While Mexican peons and Filipino coolies pour in, farm wages drop.

Filipino immigrants are mostly men; 93 per cent of the islanders admitted to California in 1920-29 were males. These men are jungle folk, and their primitive moral code accentuates the race problem even more than the economic difficulty. The first notable riot between whites and Filipinos occurred at Exeter, Cal.,

on Oct. 24, 1929, after a carnival stabbing affray. Whites threw missiles at Filipinos who were escorting white women. One Filipino stabbed a white with a bolo. The assailant made away, but the attack infuriated the mob, 300 strong, which then burned a hay barn on a ranch where Filipinos were harvesting figs. The owner formerly had employed whites. On another occasion, at Watsonville, anti-Filipino riots which lasted for several days began over the employment of white female entertainers by a Filipino club. At Santa Rosa some fifty Filipino laborers left after an ultimatum by white workers. Of those remaining some were reported armed.

The Filipino tends to interbreed with near-moron white girls. The resulting hybrid is almost invariably undesirable. The ever increasing brood of children of Filipino coolie fathers and low-grade white mothers may in time constitute a serious social burden.

Legal authorities in California declare that since the Philippines are ceded territory, the people take on whatever civil and political status the United States Government chooses to give them. Immediate exclusion is

tragically necessary to protect our American seed stock. Some measure, like the Welch Filipino exclusion bill, is required as an emergency measure; with such a law, we could afford the leisure for a just settlement of Philippine status. Even then we must remember the danger to our future generations in case Congress should be asked to grant American citizenship to our Filipino wards. We must ever remember that history, habit-like, tends to repeat itself. It is said that our present continental Negro group of more than 10,000,000 has descended from an original slave nucleus of 750,000. Primitive island folk such as the Filipinos do not hesitate to have nine children, while parents of white stock find educating three a problem of finance. Filipinos, at a theoretical rate of nine children to the family, will have 729 great-grandchildren as against the white parents' twenty-seven. Thus, after an emergency stopgap in the nature of a quota against the Filipinos, we may find we may have to decide between the rights of our future generations and the danger that lurks in granting the Filipinos the status of American citizenship.

"The Span of Life Has Not Increased"

By LOUIS I. DUBLIN

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THE wish to live is an instinctive response. Whether we enjoy a long or a short life is accordingly a matter of the greatest concern to each one of us. Our chief preoccupation apparently is to outwit, by every means within our power, the destructive forces of nature and to cling to life as long as possible. Few people realize, however, that there is a national as well as a personal aspect to the problem of longevity and that the character of our civilization depends to a marked degree upon the duration of life of the individuals who compose it. Certain differences that distinguish primitive peoples from those who are more advanced can often be traced to the differences in the duration of life. This, consequently, is a good index of national health, progress and general well-being.

It is unfortunate that the words "life-span," "duration of life" and "longevity" are used rather indiscriminately and often incorrectly. It will help to clarify our discussion at the very outset if we establish a few definitions and distinctions. The life-span, for example, measures a person's capacity to live and reflects the upper limit of the individual life. In contrast, the average duration of life applies only to a given group. It represents what is being achieved under certain conditions by the population as a whole; it is a composite picture of the long and short lives of individuals in

a definite society. The word "longevity" has little exact meaning and had better be avoided.

We can best drive home the distinction between the life-span and the average duration of life by pointing out that, contrary to the belief of many readers, there has been no increase in the life-span. It is probably the same today, even in Europe and America, as it has been during the entire historical period. As individuals we have no greater capacity to enjoy a long life today than had our ancestors, not to mention the mythical age of the Old Testament patriarchs. On the other hand, the average duration of life has greatly increased during the last century as the result of the application of sanitary science. Extraordinary gains have indeed been made; not, however, in making more centenarians, or even more nonagenarians, but rather in bringing more people safely through the hitherto dangerous period of infancy and having them survive into childhood, early adult life and maturity. The average duration of life, or as it is often called the "expectation of life," is, consequently, today eighteen years more than it was a century ago.

It is certainly not with the intention of minimizing the public health gains of the last century that I have emphasized the distinction between the human "life-span" and the "expectation of life." These gains are of the

greatest importance in their effect on our civilization. About 100 years ago the "expectation of life" in England and in certain localized areas in America, for which information is available, was a little over 41 years. This means that 1,000 persons born and living under such conditions as then prevailed would, in the aggregate, have lived 41,000 years, although some of the number would have died in infancy and others would have reached 100 years or more. By 1880 in Massachusetts, for instance, the expectation had increased to 43 years; by 1900 it was 50 years, and at the present time the expectation is between 59 and 60 years. This silent revolution which has remade our communal life has created very little stir in the world because it has spread over nearly a century. Moreover, it was a scientific rather than a political achievement and so passed unnoticed by the average man. Yet this development is probably the greatest single advance or contribution to modern life.

A hundred years ago a newly born child had 67 chances out of 100 of surviving to maturity, that is to say, age 21; today it has 90. In other words, 33 out of each 100 born died; now only 10 do. At every point there were many hurdles to overcome. This perhaps can be best indicated by recalling that a century ago half of those born died at or before they attained 44 years of age; today a half of those born may be expected to survive to age 67. A hundred years ago three-quarters of those born died at or before age 70; today the same proportional limit is age 77. This release from the threat of premature death has helped to make life today a richer and more desirable experience for nearly every one.

To appreciate the significance of this change more fully, it is necessary to observe that the greater part of the gain has occurred during the last thirty years. In the years since the be-

ginning of the twentieth century, there has been an addition of about ten years to the expectation of life, as contrasted with a gain of only eight years between 1830 and 1900. The earlier period was given over primarily to accumulating knowledge of how diseases are caused and spread; the recent decades have concentrated on the application of such knowledge to human betterment. It is interesting to recall that the last half of the nineteenth century witnessed the basic work of Pasteur and that the major discoveries of modern bacteriology by Koch, von Behring, and their brilliant pupils belong to its last quarter. But it took time for this information to seep into general medicine and for the medical and its allied professions to put these discoveries to work. The organization of public health administration as a branch of government is a relatively new thing with us. We are only now beginning to appreciate what great advances in human welfare are possible when this basic knowledge is applied. Little by little the public is becoming aware of the importance of the health department and is willing to tax itself to be protected and to receive the benefits of scientific organization.

Examination shows, however, that the gains of the last thirty years have been confined to a relatively few major headings. There is first and foremost the conservation of the life of infants. At the beginning of the century, the sacrifice of babies was a disgrace in America and, for that matter, in the whole civilized world. One out of every five infants was eliminated before its first birthday through various causes, but principally because of faulty nutrition. Today, over the entire country, less than 7 per cent succumb during the first year of life, and the figure has been reduced to 4 per cent and even less in many progressive cities. This achievement has resulted from the education of mothers and from community ac-

tivities which have provided for the needs of infants. Scarcely a community but has its baby centre with a well-trained doctor and an enthusiastic nurse in attendance. Milk is now produced under sanitary conditions and a large part of the milk supply is pasteurized, at any rate in our larger cities. The name of the late Nathan Straus will long remain associated with this phase of child welfare and countless babies will owe their lives to his vision and benevolence. The health department, as representative of the community, is now keenly aware of its responsibility to keep babies well. This is a relatively easy matter. Simple and well-written leaflets are being widely distributed to young mothers, and the guidance of the average doctor now enables the mother to pass safely through the difficult first year of the baby's life. The whole community is so interested in this aspect of life conservation, that babies who are well born now enjoy an excellent chance of growing up through childhood and adolescence.

The discoveries of modern medicine and their utilization by the medical profession have likewise helped to safeguard children after infancy, through the school ages and into early adulthood. The most outstanding achievement in recent years has been the control of diphtheria. First came von Behring's antitoxin, which was widely used and which assured thousands of children who became infected with the disease each year a much better chance of recovery than had the old treatment. Today we have advanced another step and children are being immunized against diphtheria by inoculation with toxin-antitoxin. Through this means the disease is prevented altogether, and so in a few years diphtheria may become as rare as cholera and plague now are in our part of the world. Measles, scarlet fever and whooping cough are exacting a much smaller toll of children. Typhoid fever has been brought under

control and is a rarity in many cities, thanks to the improvement of our water and milk supplies and the better sanitation of our homes. But, possibly, the greatest gain has followed from the prevention of tuberculosis among young people. In the last thirty years the number of deaths from this disease has been cut to a third. So well organized, so effective and widespread is the campaign against it that we may confidently expect in the next few decades to see it reduced to a minor item in the list of causes of death.

We should not, however, give the impression that all the gains of the past and those that are in prospect arise from the progress and application of sanitary science alone. Perhaps of equal importance has been the effect of the industrial development of the last 100 years. The changes brought about by the application of machinery to production have not only greatly increased the wealth of the world but have widely distributed the surplus over a much larger proportion of the population. The last century has seen an enormous improvement in the economic status of the common people. They now enjoy better housing, more and better food and more leisure, all of which are essential to the maintenance of a vigorous life. It is very probable that the dissemination of higher wages and the higher standard of life made possible thereby have aided materially in reducing the death rate. Infant mortality and tuberculosis especially respond very quickly to better economic conditions. And so from the health point of view we look forward to a day when all people will enjoy at least a minimum comfort budget; until they do, it is difficult for them to improve their mode of life or to reap the greatest benefits which modern medical and sanitary sciences now permit.

But if more favorable economic conditions have saved lives, the converse also is true. Life conservation has had

a most favorable effect on the general economy. The wanton destruction of young lives is an expensive and wasteful process. The poverty of India, for example, can in large part be traced to the low health standards which result in an expectation of life of only twenty-five years. Our manner of living, on the other hand, produces far more productive citizens who in less-favored countries die in childhood, or if they survive are crippled by some serious ailment which makes them a burden to themselves and to the community. Social workers tell us, for example, that they see the direct result of the public health campaign in the smaller percentage of families disrupted by the death of the bread-winner from tuberculosis. When this disease does strike down the father nowadays he is usually so far advanced in years that his children are grown up and thus able to care for themselves. And so the reduction in the tuberculosis death rate has improved the financial status of many families and eliminated much poverty. I, therefore, do not hesitate to ascribe a large part of the economic improvement of the last generation to the life-conservation campaign. This has contributed to the creation of a better civilization.

There are also other important consequences of a social and spiritual nature which have been brought about by the sanitary revolution. The conservation of childhood has tended to make us a kindlier and more benevolent people. The presence of large numbers of happy and healthy children adds to the tone of life. It is a leaven which makes a community progressive, optimistic and even exuberant. At the same time there is developed a distinct appreciation of childhood. In the modern community safeguards of all kinds are thrown around children to make their lives safer and easier. This is a distinct characteristic of our civilization.

At the same time the economic

changes that have occurred have made it easier for us to nurture youth, to provide a longer period of schooling and to enlarge opportunities for obtaining mechanical and professional skill. Children are no longer drafted into gainful occupations at the earliest possible moment, because it has become generally approved for fathers to maintain them during additional years of training and because they are no longer regarded as a mere source of revenue. Labor laws very wisely protect children from various health hazards, and at the same time compulsory education laws force them to remain in school until a more advanced age, thus granting them a chance to participate in the increased knowledge so characteristic of our time. A population almost devoid of illiteracy is a new achievement; it would have been considered impossible at the beginning of the nineteenth century. But we are thus preparing a new generation who are better equipped people and more productive, and who should be able to raise the standards of the community to ever higher levels. In the modern State education is no longer the privilege of a few, but is open to all; each child may now develop his innate potentialities and attain a position of leadership in the world by contributing to technical invention and discovery. There has thus been a more or less continuous circle of rising advantages for children producing greater industrial prosperity; both forces interact to change favorably the entire environment. We have already delayed the date of entrance into productive work and this tendency will be augmented in the future as the use of machinery is still further developed and fewer workers are required to fill our demands.

These are clearly the beneficent results which have followed man's increasing control over nature. Are there, on the other hand, counterbalancing losses which would suggest that perhaps we have paid heavily for the advantages we now enjoy? There

are those who believe, for example, that man's interference with the laws of nature makes possible the survival of large numbers of children with weak constitutions; that our democratic attitude which gives education and training indiscriminately to rich and poor alike has had the effect of lowering our intellectual calibre; and that these two factors have, in short, made us a less vigorous and resourceful people. There is a group of thinkers who glorify hardship and excuse the snuffing out of weak lives because they claim that this tends to develop the latent power of the race. They believe that a selective process results in the survival of the fittest, produces a more virile stock and thus raises the general average of the race. It is only fair to say, however, that those who stress such views are today less numerous, or at any rate less vocal, than they were a decade ago. The eugenic movement for a while, at least, seemed to be very positive of the grounds upon which its theories rested and to be in serious disagreement with the public health workers. Better counsels have prevailed and there is a disposition not to quarrel with those interested in life conservation, especially since good evidence shows that the protection of life in infancy and early childhood leads to the development not of weaker, but of stronger individuals later in life.

Is it possible, also, that the tendencies which we have described, namely, the reduction of disease and the lengthening of the period of adolescence, have materially delayed the flowering of achievement? There are those who point, for example, to many historical figures who achieved distinction at an early age, like Alexander the Great, Lorenzo di Medici, Raphael, Byron and Franz Schubert, to mention only a few. Were these simply exceptional geniuses or do the factors we have discussed defer for ten or twenty years the full florescence of our best human qualities?

No one can answer this question positively, but there does not seem to be any real delay in the date of maturity and responsibility under present conditions. Our adolescents are active enough and many of our youngsters show a worldly wisdom at which their parents still gasp. One can name in each era of history young men and women who have made their mark in life at an early age. Fundamentally, human beings have not changed at all in this regard. Possibly there was less achievement all along the line, among old as well as young, in the past, and so any achievement stands out boldly from the general low level of mediocrity. The bulk of evidence gives little comfort to those who would minimize the value of the health and educational campaigns that have made life easier for the masses and have granted to all a more equal opportunity for the enjoyment of the world's goods. All profit from the conservation of life. We do not reduce through this exercise of benevolence the amount of genius among us; and there is good reason to believe that we now conserve many persons of great ability, if not actually of genius, who, under the previous régime, would have been lost to the race.

What, then, has the future in store for us? We may look forward with assurance to a greater expectation of life even if the increase is at a slower rate. I have elsewhere computed that if we were to take full advantage of our present knowledge of disease prevention we could count on an addition of about ten years to the present expectation of life. The Biblical allowance of three score and ten for the people as a whole seems now to be well within the bounds of achievement. It will be necessary, however, first to overcome certain deficiencies which are very conspicuous in our present health organization. Over 40 per cent of our population still lives in the rural areas of the country where preventive health work has

been very largely neglected. Of the 2,000 counties of the United States only about 500 have well organized health departments and only 100 spend enough money to obtain the essential services. People living in rural counties are, for the most part, poor and cannot, so they believe, pay taxes high enough to employ full-time and well trained health officers. But experience will show that such expenditures are good investments, and that, aided by State funds, much can be accomplished without too great a financial strain. Effective public health work in the rural areas will help very materially to raise the expectation of life of the whole country.

There is another important line of attack applying equally to those who live in the city and to those in the country, and that is the conservation of life in adulthood. I have already indicated that there has been very little gained during the last century in the average duration of life after the age of 40 is reached. In fact, our figures show that those who arrive at 40 today are a little worse off than were their grandparents or great-grandparents a century ago. This situation is peculiar to the United States and indicates that our mode of life is not favorable to middle-aged and elderly persons. At any rate, in England and some other countries of Europe the figures do not exhibit the same unfavorable tendency. Here is, therefore, the place where the medical profession and the leaders in the public health movement can achieve

important results. Perhaps the remedy will lie in teaching adult men and women to lead a more healthful existence, to develop better hygienic habits, including a saner outlook on life. The rush and tumble in which so many of us are engaged are not worth the price we pay if thereby we curtail our allotted days.

But how about the life-span? Will the gains which we predicate for the older ages mean the lengthening of the span? Will the upper limit of human survival be extended appreciably? There is as yet no indication that we shall be able to do this. We are apparently confronted with very definite biological limits which cannot be surmounted. Nevertheless there is every reason to hope that in the future we may look forward to having an ever larger proportion of our citizens reach three score and ten and even four score years. Let us hope that under the conditions which will prevail in the coming decades they will arrive at this ripe old age free from the suffering and disease which today make life at the advanced ages so often undesirable. The outcome which we are likely to realize is, therefore, not one of greatly increased longevity for the individual, but rather the conservation of more lives; and the completion of the years which nature and our bodily organization make possible for us, so protected by our scientific knowledge and by the observance of the rules of personal hygiene that the last years of life shall be spent happily and peacefully.

The Economic War in Europe

BY AN OFFICIAL OF THE UNITED STATES GOVERNMENT.*

THE history of European tariffs since the Armistice has been the record of two major economic forces, Russia and America, and of two major policies, British and French, in an unstable solution of new boundaries, economic depletion, social disorganization, and political change. The interplay of these forces and these policies upon post-war Europe has produced the familiar picture of an economically Balkanized Continent, equipped with towering tariffs and struggling for economic advantage through political power or by opposing political weapons to economic changes. Taken by and large, the American tariff acts, with their log-rollings and their lack of consideration for the consumer, are mild and liberal as compared with the spectacle of European tariff making and tariff breaking. Yet for this the American tariff is in part responsible.

Europe presents the spectacle of a sub-continent, practically a peninsula, robbed of its economic hinterland by the war. Russia and, more broadly speaking, the Middle East, were Europe's major source of supply for many commodities in 1914. Lumber and wheat and oil flowed westward from Russia, Persia and the Caucasus. European goods flowed eastward into Russia. The United States supplied many of the needs of Western Europe, but had no exclusive grip on the European market. The war and

bolshevism destroyed this economic hinterland for ten years. Only in 1928 did Russia reappear as a purveyor of raw material; since then Russian exports of wheat, oil and timber are approaching the pre-war volume. However, the Russian market does not welcome European manufactures, and there is admittedly a prospect that the industrialization of Russia may turn the Soviet Union into an appreciable industrial competitor of Europe, as the revival of Russian agriculture threatens to deprive the peasantry of Eastern Europe of their modest Western European markets.

The defection of Russia threw Europe upon the economic mercy of the United States for a decade after the war. Europe was forced to buy from overseas her wheat, timber and oil, while the United States, by the enactment of three high protective tariffs, discouraged imports of European manufactures in preference to tropical raw materials. It was a one-way traffic so far as Continental Europe was concerned, accompanied by an unwelcome process of "Americanization," which took the form of American loans, American tourists and American branch factories, and which gave the American bankers an appreciable mortgage on the new economic machinery which Europe created to replace that destroyed by the war.

It is difficult to estimate the injury which the war inflicted upon Europe. The loss of effective man-power with the actual waste of wealth and destruction of property was serious enough, quite as serious in its way as was the Civil War in the United

*Though he has written this article in the light of the first-hand knowledge which his position gives him, the author states that it is not to be construed as official opinion. Since the article was written the European Union Commission meeting at Geneva and a conference of the Grain Exporting States have convened.

States. Unlike the Civil War, however, the World War was waged for disunion, or, to put it more euphemistically, for self-determination and the rights of small nations. It split the Continent into a number of small nations; the territorial gains of France, Italy, Serbia, Rumania and Greece were insignificant in comparison to the creation of three separate nations in the Danube Basin—Austria, Hungary and Czechoslovakia—where one had existed before, not to mention the erection of the States of Poland, Estonia, Latvia, Lithuania and Finland on the ruins of Western Russia. Inflamed nationalism and new boundaries, economic dislocations in the Danube Basin and in Silesia, smaller units, depreciated currencies, and political hatreds combined with new boundaries and new tariffs to create a chaos in which American money and the fear of bolshevism created fresh problems.

Of these problems the fear of bolshevism caused the greatest difficulties. In the first place, the peasants had to be satisfied. Europe is still largely peasant, outside the low countries, Western Germany and parts of France, Italy and Poland. In Central and Eastern Europe, to the detriment of production, the great estates had to be broken up to satisfy the peasant craving for land. And then the Russian peasants were dragooned into collectives, which gave them superior powers of production, but which creates a fresh problem for Eastern European statesmanship. Again, the war blockades, British and German, taught every nation to look to its food supply, encouraging uneconomic production in the name of political security. This led to high protective tariffs on farm products, creating the curious spectacle of a continent which cannot feed itself taxing the food of its people in order to satisfy strategists and peasant politicians. In this connection, it might be mentioned that Bulgaria, Czechoslovakia, France, Germany and Italy all place a higher duty on wheat

than does the United States, high though our duty is (\$1.04 per 100 pounds). Similarly, our scandalous sugar duties are eclipsed by the duties imposed on sugar in Bulgaria, Czechoslovakia, Finland, Greece, Italy, Portugal, Rumania and Spain, while even the United Kingdom puts a higher duty on non-British sugar than we do on Cuban sugar. (The Italian duty on sugar is \$13.33 per 100 pounds, as compared to the American rate of \$2.65.)

In the face of this situation, two divergent policies have been followed by France and Great Britain, the two strongest European powers, which dominate the League of Nations and control European economic progress. The British Government has consistently pinned its faith to the unconditional most-favored-nation clause (virtually imposed on Central Europe through the peace treaties and their aftermath), combined with a reduction of European tariffs, particularly tariffs on goods of interest to Great Britain, such as coal and textiles. This is a self-interested policy, of course, but it is one which coincides with American and extra-European interests. Within her empire, Great Britain has no most-favored-nation nonsense and receives substantial preferences from her colonies and dominions.

France, on the other hand, has subordinated European economic revival to French political security in a manner which has made her the most effective opponent of economic peace in Europe. If France has taken any effective step in the direction of economic disarmament, it has not been reported. Even the Briand plan of European union was predicated on the principle that "the economic problem should be subordinated to the political" and was regarded in informed circles as either an attempt to translate France's actual but dwindling military and political ascendancy into permanent economic advantages or as a move to make French political se-

curity the price of European economic recovery. It is easy to blame France for her attitude, but it is hardly fair to do so. Her history is the answer to her policy. Her method is to haggle and bargain; to give nothing for nothing, to base economic recovery upon discriminations and special privileges. It was France's allies, Poland and Czechoslovakia, that blocked the adoption of the imports and exports prohibitions and restrictions convention; it was France and the Little Entente that blocked the recent commercial convention (tariff truce); it is France and the Little Entente that are striving by openly political methods, combined with timely loans to Poland, Rumania, Czechoslovakia and Yugoslavia, to prevent the Austro-German customs union.

The first eight years after the treaty of Versailles were chaotic. They could hardly fail to be otherwise. Virtually every nation in the world, and certainly every European nation, revised its tariff upward. To cope with currency depreciation France and other countries devised a system of multiplying basic duties by coefficients of exchange. In 1921 there was a big upward revision of the Italian tariff, and Great Britain adopted the safeguarding of industries act, imposing a 33.1-3 per cent duty on certain products competing with her key industries. Economic chaos and the Russian economic monopolies imposed import and export restrictions and licensing systems on Central and Eastern European countries. The Belgian tariff went up in 1921, with a special surcharge of 100 to 300 per cent on German goods. France and Spain began bargaining tariffs and the United States abandoned them.

By 1927 tariff chaos had created so many European difficulties that a world economic conference was summoned at Geneva, largely under British auspices with active American support. The conference was attended by representatives of fifty countries and

drew up the famous convention for the abolition of import and export prohibitions and restrictions. For a time there was a tendency toward lower tariffs. Tariffs were revised in France, Poland, Latvia, Norway and Finland; trade restrictions in ten countries were removed; the most-favored-nation theory was encouraged. The impetus slackened in 1929. The Rumanian tariff went down, but the Turkish rates went up; Sweden and Finland made some minor changes, and there were general and upward revisions in Germany, Greece, Poland, Portugal, Spain and Yugoslavia. By 1930 the upward move was renewed as all but two European countries changed their rates and all but five made changes for "farm relief," and tariffs went higher in the United States, Australia, New Zealand and Canada, while Great Britain began serious consideration of a protective tariff.

Seen from the outside, it was disquieting; seen from within, it simply registered the temporary ascendancy of the French policy of political security or economic ruin. Behind the scenes powerful factors were at work. In Germany Herr Hugenburg had succeeded to the mantle of the late Hugo Stinnes and was encouraging the Hitlerites to demand treaty revision. Schober was ousting Seipel in Vienna and was shifting Austria's outlook from the road to Rome to the road to Berlin. In Great Britain the late Lord Melchett was preaching rationalization of British industry, while the Bank of England was securing for itself a financial monopoly for the reorganization of the nation's economic apparatus, and Lord Beaverbrook and Lord Rothermere were clamoring loudly for an empire tariff union. The Bratianu clique was out of power in Rumania, and the peasants were alarmed at the prospect of Russian grain competition. Ivar Kreuger and the Swedish Match Trust were building bulwarks in Northeastern Europe against the Soviets, while Stalin, ob-

sessed with the idea of capitalistic encirclement and a fresh wave of foreign intervention in Russia, was straining every sinew of the Soviet Union to assure industrial self-sufficiency before the storm broke. The Bank of France was taking advantage of the Dawes-Young system to drain gold from Great Britain and America through Germany and to amass the second largest gold stock in the world. Coolidge prosperity was breaking down in America; first the bull market cut down on the volume of American foreign financing; then the bear market heralded a world-wide depression that reduced prices, gold reserves and confidence, and threatened repudiation and revolution in a score of countries. Everywhere in Europe unemployment imposed fresh burdens on budgets for the dole, while the panic-stricken peasants demanded heavy protection for their crops.

It was in this atmosphere that the European countries experienced the effect of the French habit of playing politics with European economics. On Sept. 5, 1929, Briand, speaking at the tenth Assembly of the League of Nations at Geneva, mentioned the subject of European union. At his famous luncheon on Sept. 9, "between the pear and the cheese," he formally launched the idea of a European organization. The British did not lose an instant; their delegates proposed a European tariff truce, which would at least introduce an element of stability into European economy, pending Briand's somewhat vague plan for the union.

The British scored the first point, but not the last. They got their conference for a tariff truce, suitably rechristened as the Conference for Concerted Economic Action. It sat from Feb. 17 to March 24, 1930; but even before it assembled, Poland and Czechoslovakia between them had sabotaged the imports and exports prohibitions and restrictions convention. This was to have been effective

if ratified by eighteen States before Sept. 30, 1929. Only seventeen had ratified. The time was extended and another conference was held in Paris to bring it into effect. Czechoslovakia and Poland held out, though Poland, under Pilsudski, that stanch friend of France and foe of Russia, bore the final onus. Eleven European countries which had ratified freed themselves, and six—Great Britain, Holland, Portugal, Norway, Japan and the United States—agreed to be bound by it until June 30, 1931.

The Conference for Concerted Economic Action met at Geneva, attended by all European States but one, and with representatives or observers from Japan, Colombia, Peru, Brazil, China, Cuba, the Dominican Republic, Mexico and Persia. It drew up the Commercial Convention of March 24, 1930, which was a weak and unsubstantial agreement among the European signatories not to denounce their commercial treaties for a limited period of time. In a program for future negotiations a number of subjects already being studied by the League Secretariat were put forward. The scheme died. From Nov. 17 to Nov. 28 a second Conference for Concerted Economic Action was in session at Geneva. It was composed of the same European powers, with observers from China, Cuba, Japan, the Dominican Republic, Mexico, Persia and Turkey. In March, 1931, a third Conference for Concerted Economic Action met. It was discovered that the Commercial Convention had been ratified by Belgium, Great Britain, Denmark, Finland, Greece, Italy, Latvia, Luxemburg, Norway, Holland, Sweden and Switzerland, but neither France nor the Little Entente would ratify it and on March 18, 1931, the British proposal for tariff stability was effectively abandoned by the League of Nations.

In the meantime, the British thesis had scored one trick against the French theory. On Oct. 25, representatives of Holland, Norway, Denmark

and Sweden met at The Hague. The conference was adjourned to Oslo, where Belgium also attended, and the five Northern European countries, on Dec. 22, 1930, signed a convention agreeing not to raise their tariffs without due notice to each other. This victory for British diplomacy passed almost unnoticed at the time, but it is the one solid step in the direction of tariff stability which has been taken on the European Continent since the war. It took the sting out of the French sabotage of the Commercial Convention of March 24, 1929, and broke the force of the ambitious and ambiguous French proposal for European union, which had now become embedded in a formal document issued by the Quai d'Orsay.

On May 17, 1930, the French Foreign Office submitted to the European Governments a document entitled *Memorandum sur l'Organisation d'un Régime d'Union Federale Européenne*, dated May 1, 1930. Answers were requested to this, the famous Briand Memorandum, by July 15, 1930. Briand's elaborate and very French proposal boiled down to two simple and very French ideas. The first was that "the economic problem should be subordinated to the political," that until there was security (for France) there could be no economic union. The second was that there would be a system of loans (France had accumulated and "sterilized" a lot of gold, including a lot which had been drained away from the Bank of England) to backward agricultural countries (read Eastern European and Little Entente). The answers to this were diverse. The British were sympathetic but did not wish the Briand scheme to run counter to the League. Here Great Britain spoke for the extra-European members of the League—cautiously but not with open hostility. The German answer suggested the need for some form of European political adjustment (read reparations and treaty revision). The Italians maintained that Turkey and

Soviet Russia should be included.

In consequence of these and other answers, the Eleventh Assembly of the League on Sept. 23, 1930, constituted a commission of inquiry for European Union, and on Jan. 23, 1931, the League Council authorized the Secretariat to give aid to this commission. The first meeting of the commission resulted in a decision to study the current world economic crisis, to explore means of disposing of the grain surplus of the agrarian European countries, a recommendation in force, a statement of pacific intentions designed to allay Russian and American war rumors, and the decision to invite Turkey, Soviet Russia and Iceland (!) to participate in the work of the commission.

On March 24-25, 1931, the commission met in Paris and officially invited the participation of these three countries in the work of European union. As a result of the collision between British and French policy, the League machinery is to be utilized in the primary interest of Europe, but the prospects of union are more than shadowy.

In the meantime, the staggering statistics of the Soviet five-year plan, combined with resumption of Russian grain exports and the world depression, gave substance to the attempt of the agrarian countries to form a regional group. In November, 1930, the members of this bloc held a conference at Belgrade, following one held at Warsaw between Poland, Rumania, Czechoslovakia, Yugoslavia, Hungary, Bulgaria, Lithuania and Estonia. Nothing much was accomplished. The Committee for Grain Export Surpluses (part of the Commission of Inquiry for European Union) met in Paris on Feb. 26-28, 1931, and adjourned the question to the meeting of the International Institute of Agriculture, held in Rome on March 26, 1931. From these meetings a two-edged proposal arose—first, that the European industrial countries should

accord tariff preferences to European grain (notwithstanding the most-favored-nation clause in commercial treaties); second, that the European agrarian countries should become a profitable market for European manufactures (in some manner unspecified but presumably through tariff preferences or through loan contracts specifying the placing of orders in the country of issue). This scheme did not meet with wild applause anywhere, until it was given impetus by the Austro-German provisional agreement for a customs union.

On March 27, 1931, formal announcement was made at Vienna and Berlin that the two governments had signed an agreement to negotiate a customs union. The negotiations had been conducted in impenetrable secrecy and took the diplomatic world by surprise, although such a union had long been in the wind. The announcement came just after French diplomacy had prevented the adoption of the Commercial Convention and just when the French had allowed the proposal of the agrarian countries to languish. The Austro-German agreement marked the second definite accomplishment in the economic appeasement of Europe. It was regarded as a prelude to Austro-German political union by France and the Little Entente, upset the negotiations for an Italo-French naval agreement and complicated the prospects of the disarmament conference which meets next Winter. The outcry of France and her allies was historic and hysterical. The British, however, succeeded in referring the matter to the May session of the League Council, allowing France time to prevent the spread of the Austro-German move in the direction of the restoration of Mittel-Europa. French loans were swiftly placed in the East, and Foreign Minister Benes of Czechoslovakia warmly took up the lukewarm agrarian proposal as a means of fighting the Austro-German idea, while Great Britain renewed her pressure for a

25 per cent reduction of European duties on specific commodities of interest to her industries. The waters were muddied, and it became anybody's game, as the Federal Farm Board announced its determination to sell 35,000,000 bushels of American grain on the depressed European market and Soviet Russia began placing heavy orders in Germany.

For a game like this neither parliamentary methods nor inflexible tariffs are adaptable. It is a knock-down, drag-out battle for the future control of the markets of 300,000,000 Europeans and twenty-seven European countries. On the one hand, there are American mass-production and the grain of North and South America and of Australia; on the other, there is Russia, incalculable and galvanized into action by a group of energetic and determined Marxian dogmatists. Between them lie France, which aspires to use her power and her gold to weld the entire Continent into a harmonious and subordinate group of nations, in which she shall retain complete security and complete individuality, and Great Britain, which would like markets for her industries but instinctively opposes the creation of a European union which would effectively compete and outdistance her traditional industry and long-established commerce.

Back of it all and through it all are a mass of bayonets, of warships, squadrons of aircraft, strategic loans, diplomatic understandings and alliances, bargains and special favors, discriminations and fears and rivalries and ambitions; governments manoeuvring tariffs as they once manoeuvred armies, and signing treaties of commerce as once they signed treaties of offensive and defensive alliance. Parliaments are in the background and have little or nothing to say about what is being done. The consumer has few rights or none and the producer is considered only in proportion to his real political power. It could hardly be otherwise.

Albert Edward, Prince of Wales

By P. W. WILSON

Former Member of Parliament

IN the normal course of nature the Prince of Wales may expect to succeed to the throne of Great Britain. It is the greatest throne that has ever existed or is likely ever to exist upon this earth, for the subjects of the King-Emperor number 450,000,000 persons or one-quarter of the entire human race. There arises a question, therefore, which is neither impertinent nor premature. On the contrary, it is a question that involves far-reaching issues. If the Prince of Wales were to wear a crown, what kind of a king would he be? As prince he is a familiar and popular favorite. What is to be the estimate of him as heir-apparent?

There are those who regard a constitutional Sovereign as a mere figurehead. They argue that, acting on the advice of Ministers, such a king "can do no wrong," that if any mistakes are made the government of the day must shoulder the blame. But the very insistence that a king may not be judged by what he does means that he must be judged by what he is. In a period when many thrones have collapsed and few thrones are unshaken, the personality of a king is a factor of supreme significance.

It has been the custom to suggest that the Prince does not care about succeeding to the Crown, that he would be ready, if he could find a reason, to renounce the succession and live as a private citizen. There is nothing in the British Constitution to stand in the way of such an intention. The title to the throne

of England does not depend, as so many people suppose, on a divine right of the King's eldest son and his descendants. Frequently, and sometimes with violence, the succession according to primogeniture has been changed. Today that succession is determined by an act of Parliament passed in the year 1701, and what Parliament had power to decide Parliament has power to change. It would need, then, no revolution for Parliament to transfer the Crown to the next brother of the Prince of Wales, that is, to the Duke of York. But that will not happen.

With playful courtesy the Prince of Wales may accost his charming sister-in-law, the Duchess of York, as "Queen Elizabeth." Like Presidents and Prime Ministers, he may seek to impress the public with the weight of the burdens which reluctantly he is called upon to bear. But the illness of the King two years ago served at least to clarify this aspect of the situation. In order to forestall possible eventualities, the Prince traveled from Tanganyika in Africa to London, a distance of 6,500 miles, in thirteen days. He made it quite clear that he was no "quitter." During the King's convalescence there was a Council of Regency. On that Council the Prince, in effect, was serving as substitute for his father. In circumstances of great delicacy his behavior won golden opinions. For many years it had been well known by all who had business to transact with the Prince of Wales that his secretariat maintained a high standard of punctuality, courtesy and

good sense. Under the Regency that standard was upheld by the Prince himself. He did everything in his power to facilitate decisions and to solve difficulties. An anxious experience included moments when the Prince seemed to be very near the "pretty big job," as he calls it, that ultimately awaits him. The dignity of his attitude left no one in doubt as to his sense of the responsibilities which he might have to sustain. The testimony is unanimous that he showed himself to be every inch a possible sovereign.

For the Prince of Wales it is obvious that kingship would involve a change, not only of status but of habit. In the usual language of commerce, "the outside man" would become "the inside man." A Prince who has been the "regular fellow," hurrying here, there and everywhere, seeing everybody and everything, and achieving his daily dozen of doings and sayings, would cease as sovereign to be peripatetic. The prisoner of his palace, he would be chained for hours of each day to his desk. His public appearances would be fewer in number. His private drudgery would be formidable, and we may ask ourselves whether he will have the determination, as it were, to "settle down."

How the Prince will react under the restraint of majesty time alone will show. He may be restless or he may welcome the rest cure. But it should be realized that, like others, he grows older and less inclined to be physically active. No longer is he "the Boy," as he was called in royal circles, with fair hair, clear complexion, slight physique, modest demeanor, winning smile and gorgeous raiment, who stepped forth suddenly at his investiture into the superb arena of Carnarvon Castle, of which medieval fortress, by a coincidence, David Lloyd George had been appointed the Constable. The smile to which he would be irate if the word "royal" were applied may be still irresistible. By a sensible diet that includes an apple a day, by a devotion to exercise which at times

is intensified to feverish fanaticism and by the discipline of numerous activities, he may have retained his alert figure. But on June 23 he celebrates his thirty-seventh birthday. Since the bright morning of his inaugural twenty arduous years of war and revolution have elapsed, and "his Royal Shyness" has ceased to be the Fairy Prince. He has passed into middle age, and in repose his countenance, brooding and restless, reveals the stress and strain of a tired man.

It is very romantic that after six centuries "Edward P.," as he signs himself, should appear like a page of illuminated parchment, wearing the coronet and three feathers which from Plantagenet times have been conferred on successive Princes of Wales. But what matters today is the education which, behind the scenes, the Prince was receiving. What is the mind that he is bringing to bear upon the world and its problems?

As boys the Prince and his brothers were brought under two influences. Their parents taught them the subtle arts of royalty. Their tutor, H. P. Hansell, was entrusted with the duty of reminding them that they were still human beings. It was he who saw to it that they did their lessons, played their games and behaved as they should. The Prince was not sent to one of the great English schools like Eton or Harrow. But he had a year or two at the Royal Naval College at Dartmouth, where he was treated, as far as possible, like the rest. Indeed, the cadets were so disrespectful to Little Lord Fauntleroy as to apply to him the nickname "Sardine." He served as midshipman on H. M. S. Hindustani, spent five months in Paris as the guest of the Marquis de Breteuil and took a term or two at Magdalen College, Oxford.

To claim that intellectually the Prince of Wales is brilliant would be absurd. In actual erudition he is less accomplished than most college boys have to be. His education, with its interrupted curriculum, might be de-

scribed as a course of learning about things. The Prince was expected not to initiate ideas, not to master or to be mastered by them, but to receive and to retain impressions of them. Everybody else was to be more of an expert than he, but he was never to be out of touch with the experts. A sailor with no more than an honorary ship, a soldier with no more than an honorary regiment, a graduate with no more than an honorary degree, the Prince is, however, sure of one accomplishment. As linguist he has been made to excel, and in royal families that gift is second nature. He knows French and German and he can pick up suitable phrases in Spanish, Italian and even in Welsh and South African Dutch. On royal lips a little goes a long way.

The perennial inquiry is whether he prepares his own speeches. The answer is that anybody who speaks with ease must have made what he is to say a part of himself. For every occasion on his crowded calendar the Prince allows himself to be "coached" by secretaries whose duty it is to be acquainted with the local color and other details of the background. That he adds his own personal touch is no less true, and in their final effect his utterances are as much his own as are the pronouncements of most statesmen whose rhetoric is evolved by a similar method. It is not the business of the Prince to be an orator. But his many little speeches, with their cleverly prepared impromptu, are a recognized success. He manages somehow to say something without making the mistake of saying anything. If at times he is betrayed into momentary irritation, people forgive it. Under the friction of such a program of public appearances—as many as nineteen in a few hours—nerves may well betray a frayed edge; and there are times when for a period the engagement book has to be closed to further entries. The Prince goes on strike or, as bankers put it, requests a moratorium.

Such a training for kingship sug-

gests what the Prince can and what he cannot hope to be. On the one hand he has no time and has lost the taste for continuous reading. He is incapable of that steady thought on a particular problem which results in the deeper sagacity. If he tries to be a statesman in that sense, directing and influencing policy, he will weaken his position as sovereign. But on the other hand he has become an expert on what may be called the immediate, and this, in a constitutional sovereign, is an invaluable qualification. Such a sovereign stands aside from the political game. He does not pretend to be able to play it. But, as an umpire, he does know when to blow the whistle.

Many have been the hours spent by the Prince in the House of Commons, where he sits in the gallery above the clock, brooding over the turbulence below. Of Parliament he has little more to learn, and already he has had special lessons in the limitations of his prerogative. It might seem to be an innocent thing for the heir to the throne to be associated with so excellent an organization as the Society for the Prevention of Cruelty to Animals. Yet he was faced by a controversy with the doctors over the merits of vivisection, with the sporting fraternity over fox-hunting and with the world in general over rodeo. To subscribe a ten-pound note to the relief of miners' families and to visit the villages where they lived was surely a generous gesture. Yet Stanley Baldwin, as Prime Minister, insisted that such activities involved the Prince in matters under the consideration of the Legislature, and the Prince had to submit. If prohibition became an issue the dictum of the Prince that "any time is cocktail time" would have to be treated as merely retrospective; so also his boosts for that jolly fraternity known as "the froth-blowers."

Memoirs of Queen Victoria and King Edward reveal the fact that at such times they exercised no little influence over policy and the fate of parties. Under King George the monarchy has

become in this sense more remote from the dust and heat of the arena. The sovereign has now to act on the advice of Ministers, not only in Great Britain but in the dominions, and under this multiple prerogative he dare not entertain private prejudices. On small issues a king is thus excluded from the field of argument. But this only means that in a great crisis, involving the clash of parties or the relations between the mother country and the dominions, he may become of all the greater importance as a mediator between the combatants. Such an occasion, when it occurs, provides the real test of a sovereign's ability to handle situations.

When the war broke out the Prince, as a young man, was sensitive lest he be regarded as a "slacker." In similar circumstances the Prince Imperial, heir to the great name of Napoleon Bonaparte and trained as a British officer at Woolwich Academy, insisted on active service in Zululand, where he was slain by an assegai. The Prince of Wales served in France, and headquarters found it no easy task to keep the young truant out of harm's way. He regarded the suggestion that he was shielded from peril as an insult, and when in Egypt an Australian unit on review "counted him out," it struck him like a whip across the face. His rejoinder aroused protests from King George and his Prime Ministers which went on for years. With uncontrollable impetuosity the Prince rode for a fall on hunting field, polo ground and race-course. Not until his collarbone had been broken, his face kicked by a horse's hoof and his eye blackened by a divot of Long Island turf was honor satisfied.

The house of Windsor has made its share of mistakes, but nobody has questioned its courage. In his varied career the Prince of Wales has never avoided risks. A pioneer in popular aviation, he has been mistaken at manoeuvres for an "enemy" and chased to the ground. On one occasion he saved a workman from the whirl-

ing wheels of a machine in which the man's overalls had been entangled. Pursuing big game in Africa, he has had his dose of malaria; while in Chile a brawling drunkard was stabbed before his eyes. Despite all special facilities, the Prince of Wales during his prolonged and rapid journeys has had to "rough it," and if today he is respected by that curious fraternity of helpful fellowship, Toc H, and by the heroes of the Victoria Cross who not long ago were entertained in the Palace of Westminster at the most remarkable military banquet of modern times, it is bare justice to say that he has fairly earned it.

Of the aptitude of the Prince in the gentle art of playing to the gallery there is no doubt. He is phosphorescent, absorbing the limelight which he radiates. For a country, for a city, it is "a big advertisement" to entertain "Wales," and so with individuals. When the Prince hobnobs with Thomas Hardy, when he has a talk about Shakespeare with Gene Tunney, when he shares a syndicated "box" in the newspapers with Will Rogers, when it is announced that he and Edsel Ford exchange similar smiles, the publicity is mutual. But it must not be supposed that all the Prince's program has passed without criticism. A cat may look at a king, but that is because a cat "doesn't tell." The camera also looks, but, in addition, the camera records. For a prince of the blood to throw himself backward into a swimming pool is one thing, but it is quite another thing that a snapshot of this elegant attitude, including the soles of the royal feet in the foreground, should be circulated throughout a world already revolutionary. The spectacle, too, of the Prince crashing head first into the mud of a race course, his face bespattered, his limbs in a tangle, is also unusual. From voyagers, however distinguished, when crossing the Equator, it is the acknowledged prerogative of King Neptune to exact a certain boisterous homage, and doubt-

less it was very entertaining on H. M. S. Repulse to arrange an oceanic theatrical called *The Bathroom Door*, with his Royal Highness cast as "a red-haired vamp," but the pictures thereof, when they reached Buckingham Palace, did not "amuse."

Informality is not always the same thing as tact. Spain votes Republican but she did not understand in the least why on visiting her King the Prince of Wales declined to wear uniform. Over his soft collars France was no less dubious. In India, where the Prince was none too pleased by the Gandhist boycott, Lord Reading himself as Viceroy had to remonstrate against the indifference of the royal and imperial "salesman" over the strict etiquette which is held to be essential to the prestige of the British Raj. It is said that a game of golf which Lloyd George once inflicted on Briand cost that perennial statesman one of his many Prime Ministerships. Much more embarrassing was the round of golf played by the Prince against the present Emperor of Japan. The situation was only saved by the loss of both score cards. Even on Long Island it was asked whether joy rides are the best apprenticeship for presiding over the greatest of all Empires, and during this spell of activity London herself joined the critics. Why did the Prince patronize the craze for nocturnal treasure hunts? Why did he attend a night club which the police were just about to raid? Why did he have to break into St. James's Palace one early morning as if he were a burglar? True or exaggerated, such tales were current in London and they leaked into the press.

The pride of the Prince resented the attacks. Why should he not play jazz, if he wanted to, on his ukulele or bandoleon? What harm was there in "ragging" always permitted to undergraduates at Oxford and Cambridge? However, he would show them a thing or two. At a time when the loyalty of South Africa was trembling in the balance, forth he went, faced the

Boers on their veldt and achieved an overwhelming triumph of good comradeship.

After a visit of the Prince to the United States an enthusiast was so unkind as to send him an album containing 61,120 clippings. What has now to be realized is that these clippings are already out of date. The publicity was abundant. But it was no more than a prelude. One result of the Prince's apprenticeship, and only one, is likely to be discussed in the future.

At a music hall Sir Harry Lauder was inviting requests for the singing of favorite songs. His Royal Highness was in a box, and incautiously he called for "I Love a Lassie." Quick as lightning Lauder answered him: "Yes, I know you do, but we all want to know who she is," at which impudence there were thunders of merriment. Today that question is obsolete. What "we all want to know" is why the right lassie is so long a-coming.

In normal circumstances there is little doubt that the Prince of Wales would have been married in the usual royal manner. It was the World War, with his grand tours around the Empire which followed it, that involved a postponement of six years or more and a complete change in the matrimonial outlook. By the act of succession a Queen of England may not be Roman Catholic, nor has any Roman Catholic Princess changed her faith in order to become Queen of England. Yet as a result of the war the entire non-Roman Catholic royalty of Russia, Germany and Greece was wiped off the slate of eligibility and only the three Scandinavian monarchies, with a Princess in Holland, remained. Queen Marie of Rumania did a mother's best to promote the Princess Ileana's chances, but the Prince would not commit himself further than the opinion that this girl in her teens was a "nice little kid" nor were matchmakers in Belgium, Italy and Spain any more successful. One

by one the Princesses of suitable age found husbands elsewhere.

However, the resources of romance were not exhausted. Hitherto the house of Windsor had insisted that, whatever happened to its Princesses, like the Duchess of Argyle, the Princes must marry wives of recognized royal blood. That rule was relaxed, and it was made clear that a daughter of the higher British aristocracy would be acceptable at Buckingham Palace. Indeed, several daughters were suggested, among them Lady Rachel Cavendish of the ducal dynasty of Devonshire, and Lady Mary Thynne, a gloriously beautiful girl whose father was the Marquis of Bath. The Prince was irresponsive, and once more the might-have-beens married elsewhere. So with the Prince's cousin, Lady Mary Cambridge, who today is Duchess of Beaufort.

In such a situation gossip is inevitable. It is hinted that the Prince is breaking his heart over the course of true love which never does run smooth, and names are mentioned. That, like other young men, he has had his circle of friends, "a younger set," goes without saying, but his life has been lived in public. For most hours of it an account has been rendered. It has been an arduous and unselfish life of public service. The Prince has had little time for any occupations outside his duties.

There is an aspect of this matter which is apt to be overlooked. For the Prince of Wales marriage is more than signing a register in church. His wife is his prospective Queen. As a mere ceremonial the wedding involves many months of preparation, and it is the prelude to ceremonials innumerable in the future. Comfortably ensconced in bachelor quarters, where he is his own master, appearing before the crowds not in a duet but as a soloist, the Prince of Wales has reasons, not always appreciated, for taking no risks and letting well enough alone. Moreover, he is assisted by the popularity of the Duke of York

and that Duchess whom he calls "Queen Elizabeth." The succession is amply secured; why worry? All England is running after the perambulator wherein sits and smiles that Princess Elizabeth who is held to be entirely satisfactory as a possible occupant of the throne.

On the death of Queen Alexandra the Prince moved out of St. James's Palace into Marlborough House. But today he is occupying no more than a rearranged corner of that elaborate mansion, furnished as a bachelor flat. If married he would have to throw open the entire residence to hospitality and plunge into lavish entertainment of society. When King Edward was Prince of Wales Marlborough House absorbed a fortune.

It is an important consideration. These are days when the finances of a royal family are keenly scrutinized. The era of running into debt and asking a grateful country to pay the bills is at an end. Over terpsichorean syncope the Prince may have had his little tiffs with Queen Mary; over thrift they see eye to eye. The Prince of Wales has sold his horses. He keeps no yacht. One day at Deauville when, it is said, he lost 92,000 francs, cured him of the gambling to which King Edward was addicted. He plays golf, but of all social amusements golf, originating in Scotland, is the least expensive. Over housekeeping also the Prince is an economist.

The financial position of the royal family is, after all, a serious factor. For the maintenance of the house of Windsor Great Britain pays an annual sum that slightly exceeds \$3,500,000. Of this revenue the King and Queen receive \$2,675,000 a year; the Prince of Wales has an income of \$325,000, and there is a balance of \$500,000 otherwise allocated. The Duke of Connaught, King Edward's brother, and the Duke of York, both having been married, receive an annuity of \$125,000 apiece. Princess Beatrice, the mother of the Queen of Spain, receives as a daughter of Queen

Victoria, \$30,000. King Edward's three daughters, the Duchess of Fife, who died in January; Princess Victoria, who has never married, and Queen Maud of Norway receive a joint annuity of \$90,000, which they divide as they wish between themselves. That also is the arrangement applying to King George's children, Princess Mary, Prince George and Prince Henry. They have \$130,000 between them, calculated as \$50,000 for each son and \$30,000 for the daughter.

Historically these revenues are derived from the Crown lands. Indeed, as a matter of form the great duchies of Lancaster and Cornwall, founded by King Edward III, are still in being, and it is from the latter that the Prince of Wales, as Duke of Cornwall, draws an agreed income. But in 1837 Queen Victoria surrendered all her lands to Parliament and, in effect, it is on Parliamentary appropriations or legislation that the House of Windsor now depends. The surrender of the ancient Crown lands, however, affected only the past. Any member of the royal family, the King included, is entitled, if he can, to save on his income, to invest those savings or to insure his life. A distinction must be drawn, then, between public property, in which the King has only a life interest, and private property of which he is in personal and absolute possession. Windsor Castle, Buckingham Palace and Holyrood belong to the nation. But Balmoral, purchased by

Queen Victoria herself, and Sandringham, which she purchased for King Edward when he was Prince of Wales, belong to King George and, if Great Britain became a republic, would continue to be his. That also applies to the King's unique collection of postage stamps.

The Prince of Wales has enormous expenses. For one tour alone he had to be provided with 600 tie-pins, costing \$20,000, to be distributed, en route, as "tips." Also he is generous to his brothers and, it is said, paid certain costs of the wedding of the Duke of York. But the Prince's income is not so heavily allocated as the King's. As a bachelor he can save a margin, and it is believed that he has accumulated reserves. His ranch in Canada is one instance of acquired property. If married he would be immediately poorer in pocket.

As bachelor monarch the Prince of Wales would be free still to exhibit his present entire independence of the aristocracy and to appeal directly to the English-speaking democracies themselves. Another circumstance, usually overlooked, is also pertinent. As long as Edward remains unmarried there is only one Queen in the house of Windsor, namely Queen Mary. Her influence, seldom estimated at its real value, would continue, in effect, unabated, and over the Prince of Wales that influence is responsible in chief measure for what has been, amid all the turmoil, a record of incessant public service.

Britain's Two Years of Labor Government

By H. WILSON HARRIS

British Author and Journalist

ON June 6, if it survives till then, the British Labor Government will have completed two years of life. Its predecessor, in 1924, lasted less than ten months. It has led an uneasy existence, for any week while Parliament was sitting might have been its last. That was natural enough, seeing that the government did not command a majority in the House of Commons and could avert defeat only so long as the Liberals abstained from voting against it.

This fact has meant that no definitely Labor program could be put into effect, for the Liberals would have none of it. But the situation actually has been more complicated than that; the Liberals, few though they be, are numerous enough to divide into two opposed camps. The majority, led by Lloyd George and Sir Herbert Samuel, favors supporting the government so long as the government pursues what they consider a Liberal policy, and recognizes that a Labor administration may have to go a little further than would orthodox Liberals. The Right Wing, with Sir John Simon as its chief representative, is quite ready to vote against the government whenever it sees fit, whether the government's fall is involved or not. Labor thus can count on the support of only a section of the Liberal party, not the whole, and while that section has been large

enough so far to save the government, the balance may shift at any moment and a majority of Liberals walk into the Conservative lobby.

The reason why Liberals as a whole are reluctant to withdraw their support from the government is their approval of everything it has done in the international sphere and their belief that Arthur Henderson is a far better Foreign Secretary than Sir Austen Chamberlain, his Conservative predecessor. Foreign affairs, as it happens, have bulked abnormally large in the last two years. Never since the war and the settlement period immediately after it has a British Government had to face so many problems of the first moment in the foreign field. First of all was The Hague conference for the adoption of the reparations plan associated with the name of Owen D. Young. There was the London Naval Conference, based on the preliminary conversations between Ramsay MacDonald and President Hoover. The Imperial Conference of 1930 and the Round-Table Conference on India fall rather within the imperial than the foreign field, but they are conveniently dealt with under the same heading, as distinct from the government's domestic policy. There have been a number of important issues arising at Geneva, and, lastly, the Franco-Italian naval rivalry has directly concerned Great

Britain as a European signatory of the London naval treaty.

The government's admitted success in its foreign policy is the more noteworthy because foreign policy is a field in which Labor has always been a little under suspicion, partly because of its natural inexperience in the handling of such issues, and partly because its sympathy for "internationalism" prompted fears that it would not be vigilant enough in guarding British world interests. The groundlessness of those fears in the present instance is shown by the general endorsement the government's foreign policy has received from the bulk of the Conservative party in the House of Commons and from essentially Conservative organs of public opinion like the London *Times*. Success has been due largely to two men, Ramsay MacDonald and Arthur Henderson, though Philip Snowden, who attended The Hague reparation conference as Chancellor of the Exchequer, pressed British claims with a pertinacity the most imperialistic Conservative who ever lived could not have surpassed. MacDonald—he was Foreign Minister as well as Prime Minister in the Labor Government of 1924 and has always followed foreign affairs closely—took charge personally of the London naval conference and the round-table conference on India. His preliminary talks on naval limitation with Ambassador Dawes and then with President Hoover undoubtedly laid the foundation for the success finally achieved.

At the India conference the field was too vast for the predominance of any single man, and the Prime Minister shares the credit for the agreements achieved with several of his Cabinet colleagues, notably Lord Sankey, the Lord Chancellor; Wedgwood Benn, Secretary for India, and Arthur Henderson, the Foreign Secretary. But there is in fact no case here for emphasis on the personal element. All three parties were represented on the British delegation and the dele-

gates of all worked together with perfect harmony, but the government may claim special credit none the less for the result attained. A Labor government might always be expected to go further than any other toward meeting the views of Indian Nationalists. Indians know this well, and if a Conservative Government had been in power at the time of the conference the Indian delegates would certainly have been less disposed to compromise, because they would have hoped to get better terms later on from Labor. But when it was a Labor Prime Minister who said, "So far and no further," agreement was seen to be the course of wisdom. Conservative leaders like Stanley Baldwin and Neville Chamberlain have declared with renewed emphasis their approval of what the government has done.

Foreign policy generally has naturally been directed mainly by the Foreign Secretary. Mr. Henderson must be regarded as the outstanding personal success of the administration. Thanks to a great deal of hard sense, a natural gift for conciliation and a personal character which inspires general confidence, he has assumed at once a position of equal influence and authority with European colleagues like Briand and Curtius, who enjoy many advantages which he does not share. At the reparation conference in 1929, while Philip Snowden, the Chancellor of the Exchequer, was very astonishingly winning the applause of London financiers and die-hard Conservatives by holding out for British rights against what he considered excessive claims by Continental powers, Henderson was successfully persuading France and Belgium to evacuate the Rhineland in the middle of 1930 instead of in 1935.

The re-establishment of diplomatic relations with Soviet Russia was a more controversial matter, but the Labor party had always put that in the forefront of its policy, and only abnormal folly on the part of the

Soviet delegates could have prevented that policy from being carried out. The results leave as much difference of opinion as ever. A British Ambassador has gone to Moscow and a Russian Ambassador come to London, but whether relations between London and Moscow are for that reason any more harmonious than relations between Washington and Moscow is a question on which considerable discussion would be possible.

Another delicate matter Arthur Henderson was called on to handle was the relationship between Great Britain and Egypt, which still rests on a temporary and provisional basis. Sir Austen Chamberlain had tried to negotiate a permanent settlement and failed; Henderson brought the dispute to the verge of a settlement. He did settle everything concerning Egypt proper, but as agreement proved impossible regarding the régime in the Sudan, and as the two things hung together in the Egyptian mind, Nahas Pasha and his colleagues went home. The negotiations, though they were unsuccessful, were broken off in a spirit of complete friendliness on both sides, and Henderson gained a good deal of Conservative approval by refusing to move an inch beyond the limits of concession he had laid down at the outset.

The foreign policy of a European power is nowadays seen in operation mainly at Geneva. Mr. Henderson has maintained British prestige on at least as high a level in the League Council and Assembly as his predecessor, Sir Austen Chamberlain, and he has not fallen under the same imputations of leaning unduly to the side of France. His main purpose has been to promote disarmament and the peaceful settlement of disputes, and in pursuit of the latter aim the government has signed and ratified the optional clause of the statutes of the Permanent Court of International Justice, and is in process of adhering to the general act of arbitration and conciliation. Liberals have declared

in favor of both courses and Conservative criticism has been considerably disarmed by the fact that in both cases the government secured the support of practically all the dominions. Now the main objective in view is the success of next year's disarmament conference.

Labor's imperial policy has been more widely criticized than its foreign policy, partly, no doubt, because of initial prejudice, for Labor politicians are always rather under suspicion as Little Englanders. Consequently there was a short-lived but vehement outcry when at the imperial conference of 1930 the government decisively rejected the proposals of R. B. Bennett, the Prime Minister of Canada, for reciprocal tariff agreements between Great Britain and the dominions. That proposal, involving duties on wheat, and in consequence a dearer loaf in Great Britain, raised questions which already formed the centre of controversy between the political parties in Britain itself, and it was as natural that Conservatives should urge acceptance of the Canadian proposal as that a Labor Government, pledged to free trade, should reject it. Canada and Australia understood the position clearly enough and accepted the decision with regret but without bitterness.

On questions like the handling of Jews and Arabs in Palestine and the formation of a native policy in Africa all parties are more or less divided. The Palestine policy finds some critics in Labor's own ranks and some supporters among Conservatives and Liberals. It is inconceivable that any government should give complete satisfaction to all concerned in its administration of Palestine under present conditions, and there is no ground for passing any dogmatic judgment on the policy Labor has so far pursued.

On the domestic side the government has found itself in inevitable difficulties from the first. It could not carry out the program to which it

pledged itself before the election, because there has throughout been an anti-Labor majority in the House, and the Cabinet had therefore to abandon those measures which the Liberals, on whose support it relied, would be certain to oppose. That was unavoidable, but the abandonment has alienated James Maxton and his impetuous colleagues from the Clyde, and a Left Wing breakaway has been constantly threatened. But the danger is less serious than it might be, since as a rule the Left Wing would be likely to vote against the government on issues on which the rest of the House would vote with it.

Much more important was the misfortune that befell the government in taking office when the full wave of business depression was setting in, making it impossible for any of the pre-election promises regarding the cure of unemployment to be realized—"The Labor party gives an unqualified pledge to deal immediately and practically with this question." Actually the unemployment figures have risen from 1,100,000, when the government came in, to over 2,500,000 today, necessitating borrowing at the rate of \$250,000,000 a year to finance payments under the unemployment insurance scheme—the so-called dole. No one holds the government responsible for the depression, which springs from causes peculiar to no single country, but the fact remains that the Labor Government has to carry the burden of the discredit attaching to failure.

There has been much talk about measures to provide employment, and grants of fairly substantial sums have been made for new roads and other works of construction; the government indeed claims that between 200,000 and 300,000 persons are now directly or indirectly employed on official relief works. Conferences on the subject have been held with Lloyd George and the Liberals. J. H. Thomas, the Minister in charge of

unemployment, made a trip to Canada to get orders for British goods, but came back empty-handed and was ultimately transferred to another post. He and his colleagues have said with perfect truth that the only real cure for unemployment is a general trade recovery, and in their pre-election manifestos they declared themselves able to set trade moving. The contrast between these professions and the present situation is painful. Mr. Graham, president of the Board of Trade, and one of the ablest men in the Cabinet, has been doing his utmost to stimulate European trade generally by seeking tariff reduction in Europe by international agreement; but other nations, while paying lip service to the principle, refuse flatly to put it into practice.

Impotence, or relative impotence, in face of the unemployment menace has incidentally deprived Mr. MacDonald of the services of Sir Oswald Mosley, who first of all resigned his position as a Minister and then his membership in the Labor party. The Prime Minister has had no reason to trouble greatly about that, for Sir Oswald is a general without an army, or, to be precise, with an army of exactly five members of Parliament, one of them his own wife, and an army that shows no sign of becoming any larger. But the rebel's main charge, that the government has done nothing about unemployment commensurate with the needs of the situation, is irrefutable. Whether the rebel himself would do any better if he had a free hand is another question.

Some few items in its pre-election program the government has been able to carry through. Its coal mines act provides for more official regulation of the coal industry than Conservatives like, including as it does price-fixing agreements, compulsory marketing schemes based on assessed quotas from each district, and the possibility of compulsory amalgamation of mining enterprises in the same

area. The scheme is not working smoothly, and the government's dependence on the miners' vote forced it to concessions in the matter of shorter hours, which have made for considerable friction between employers and employed. A still further reduction is under discussion.

Another of the government's—of any Labor government's—difficulties is its dependence not only for votes but for considerable financial support on the trade unions. As a result, it is often compelled against its own judgment to introduce measures on which the unions insist. A particular instance is the trades disputes bill, designed to modify a good deal and reverse certain parts of a restrictive trades dispute act, which the Conservatives put on the statute book after the general strike of 1926. The Prime Minister knew he was taking risks in introducing the bill. The Conservatives were solid against it, and more Liberals than usual were hostile, so that there was at least an even chance of the government's defeat. The government was, in fact, defeated, but it was on one particular clause of the bill and in committee, not on the principle of the bill and in the whole House. That enabled the Prime Minister providentially to drop the measure without much loss of prestige and demonstrate to his trade-union supporters the impossibility of going further with it.

Another measure that has had to go by the board, though the Liberals generally supported it, was a bill for raising the compulsory school age from 14 to 15. This time the trouble came mainly from a section of the government's own supporters. Roman Catholic schools protested that they could not provide the accommodation necessary for the increased number of pupils, and enough Catholic Labor members voted against immediate progress with the bill to involve the government in a narrow defeat. The measure was accordingly dropped, and

Sir Charles Trevelyan, the Minister for Education, resigned.

Apart from a secondary and controversial measure designed to help agriculture, there is only one sphere of domestic administration in which the government has achieved anything of importance—rather strangely, in connection with transport. A road traffic bill, abolishing the speed limit for private automobiles and making new, and on the whole reasonable, regulations regarding careless and dangerous driving, is working well, and R. C. Morrison, the Minister of Transport, is now steering through the House a necessary measure for the coordination of the whole London traffic system, including trams, buses and all forms of underground traction, and putting it under public control and management.

Finance, all important as it is, is in the realm of controversy. Mr. Snowden has shown himself a "safe" Chancellor of the Exchequer—much too safe for Labor's Left Wing—and his budget of 1930 provoked no more criticism than would be expected from a budget which increases the income tax. If you are to have costly social services you must have a high income tax as well. As to which of the two should be reduced, that is part of the eternal controversy between the privileged and the unprivileged classes.

To predict anything about the government's future is dangerous, when its existence is so precarious that it may fall any time. Its majority is virtually intact, apart from the defection of six Mosleyites. To that extent it stands just a little more in need of Liberal support than it did, and the Liberals are still divided as to whether to continue to support it. But most of them are anxious to keep the Conservatives out at almost any cost, and with their help the Prime Minister should be able, for some months at any rate, to avoid defeat on any major issue.

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"Big Bill" Thompson of Chicago

By ROBERT MORSS LOVETT

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WHATEVER may be said of "Big Bill" Thompson, and a good deal has been said, it remains true that he is a political phenomenon of first magnitude. He exemplifies Chicago, where everything tends to assume grandiose proportions and a garish coloring, and to announce itself through the loud-speaker. The Chicago fire, the Hay-market bomb, the railroad strike of 1894, the Iroquois Theatre fire and the Eastland disaster were all catastrophes of monumental horror. Similarly, on the constructive side, the World's Fair, the Stock Yards, the Drainage Canal, the Merchandise Mart, and the sky-line are of world-wide fame. Personalities against the background of Chicago—McCormick, Pullman, Field, Insull, Rosenwald—are seen in unusual proportions—which in some cases become grotesque. Chicago has furnished the most dramatic political scandal in the history of the country in the expulsion of William Lorimer from the United States Senate, and the most extravagant example of organized crime in the gang rule of successive chieftains, Colosimo, Torrio, O'Banion, culminating in the supremacy of Al Capone. Only in Chicago could a real estate dealer break into literary history by claiming the authorship of *Cyrano de Bergerac*, and securing the support of the Federal Court, which forbade both Coquelin and Mansfield

to play Rostand's drama. Only in Chicago could a chief magistrate achieve world-wide notoriety by declaring hostilities against King George of England and offering to crack that potentate "on the snoot." Chicago claims the World's Greatest Newspaper. It is itself a great front page. The career of William Hale Thompson is to be interpreted and understood only in terms of this environment.

The greatness of Chicago is founded upon its hinterland. It outstripped its competitors because its citizens realized its opportunities as a trading centre, a market place for wheat, corn, hogs and cattle, and a distributing point for merchandise between the Great Lakes and the Rocky Mountains. There is something symbolic in the fact that Thompson, born of one of the oldest families of America, should have found his first employment on cattle ranches in Colorado and Wyoming. In cowboy chaps and eight-gallon hat he typified on the platform the relation of the city to the Great West whose capital it is. Moreover, the enterprise which he has steadily promoted has been the Great Mississippi Waterway from Chicago to the Gulf. The modern history of Chicago began when the city awoke to the possibilities of Lake Michigan as something more than a carrier for freight. There is also something symbolic in the fact that Thompson

was first known to his fellow-citizens as a yachtsman, a sailor of races and president of the Chicago Yacht Club. Both these circumstances contributed to his political career. They made him a picturesque figure and inspired confidence. He brought to the hustings the bluff good nature and the forthright energy of the cow-puncher and the sailor. His action suggested the saddle and the deck. He was a gentleman-sportsman with the traditions of his class, a man of the world, and at the same time a man of the people, with the free, open bearing of men of the plains and the lake. His wealth put him above the temptation of vulgar graft. His class seemed to insure his disinterestedness. What should he want with a political machine?

In politics as in other walks of life men have greatness thrust upon them. In this fact not a few observers saw something sinister in Thompson's candidacy. The most powerful political machine in Illinois was that which William Lorimer directed and which elected him to the United States Senate in 1909. When after an investigation Lorimer was confirmed by the Senate, Thompson in his eight-gallon hat rode at the head of the procession which welcomed the vindicated Senator back to Chicago and escorted him to his home. The next year, when, as the result of a second inquiry, Lorimer was expelled from his purchased seat, he was received by a mass meeting at Orchestra Hall, at which Thompson presided. Although Thompson's political experience was limited to a term in the City Council and one in the County Board some ten years earlier, he was picked as the white hope of the Lorimer machine. Lorimer's chief of staff was Fred Lundin, "the poor Swede." He launched Thompson as a candidate for Mayor at a Christmas party at the Auditorium on Dec. 23, 1914, when there were 140,000 pledge cards on the tree. The opposition to Lorimer within the Republican party was

headed by Charles S. Deneen and the *Chicago Tribune*. At the primaries of 1915 their candidate for Mayor was Judge Harry Olson, chief justice of the municipal court, who was accounted an easy winner over the newcomer. In the first of many battles between the two factions Thompson won by 2,500 votes, in consequence of his popularity in the colored wards. In the election which followed he beat Robert M. Schweitzer by 147,000 in a complex of racial and religious issues, and rode into City Hall in his eight-gallon hat.

Thompson's first administration was an anticipation of his second and third. He enjoyed the political game and delighted in the prestige of office, but he left his subordinates to do the work and to reap the material rewards. Lundin was established at the Sherman House, opposite City Hall, and directed affairs. Other figures who came to represent Thompsonism were Dr. John Dill Robertson, Commissioner of Health; Samuel A. Ettelson, Corporation Counsel, and Michael J. Faherty, Commissioner of Public Works. Two of the Mayor's boyhood friends successively filled the office of Comptroller, Eugene R. Pike and George F. Harding. His secretary, Charles C. Fitzmorris, later became Chief of Police, and Comptroller in 1927. Of this band of paladins only Ettelson and Faherty were found fighting beside the Mayor in 1931. Thompson was led by Lundin to a high mountain whence he saw the kingdom of national politics. He obtained Roy West's place on the Republican National Committee and began to be mentioned for the White House. As a first step, he entered the primaries for Senator in 1918 against Medill McCormick. His defeat squelched his Presidential ambitions and he fell back on re-election as Mayor. Although his administration was under fire for payroll scandals and protection graft, his personal popularity carried him through, but only by a shrunken majority of

21,000. Once more the colored wards stood by him, but they deserted him the following Summer when Thompson's police failed to give them protection in the race riot which disgraced the city.

The election of April, 1919, marked the turning point in Thompson's career. He is described at that time by James O'Donnell Bennett: "Eyes heavy and somewhat sad, mouth lax and heavy and not reassuring except when he smiles, and then the smile irradiates the whole face * * * complexion still florid as in the old days, eyebrows heavy and give the face strength; on the whole, a massive head, poised on a powerful neck." A fallen archangel, his brightness already somewhat tarnished! In office, indolence and inertia grew upon him, but his political control was at its height. He formed an alliance with Len Small who carried the primaries and the election for the Governorship. He put Robert E. Crowe into office as State's Attorney. The turn in the tide came in 1921 when his ticket for circuit judges was beaten by 100,000. The trial of Governor Small for appropriating the interest on State funds while State Treasurer was followed by charges of jury fixing. The school board was accused of looting; Crowe broke with Thompson and raided the board's headquarters for evidence. The attorney for the board and nine members went to jail for contempt of court. This was the period in which under Mike Faherty the Public Works Department completed the city improvements such as the Roosevelt Road viaduct, the bridge connecting Michigan Boulevard, south and north, which was opened with a great parade on May 14, 1920, and Wacker Drive leading west. Thompson became "Big Bill, the Builder." But the *Chicago Tribune* won a taxpayer's suit against Thompson, Harding, the Controller, and Faherty for \$1,732,279, paid out in appraisal fees to so-called real estate experts. As a result of accumulated distresses and Crowe's desertion Thompson quit the

race for a third term, and a Democrat, William E. Dever, was elected.

In 1926, however, Thompson came back. His campaign took on the aspect of vaudeville and demagoguery for which Thompsonism became a synonym. He based his campaign on "America First," involving opposition to the World Court, and went out to "get" King George V. In the election of 1927 he defeated Dever and returned to the City Hall, but his triumph was shortlived. The increase in crime under Crowe's administration of the State's Attorney's office became an issue—especially when one of Crowe's assistants, William McSwiggin, was shot to death in company with two gangsters—and Crowe was defeated in the "bloody primary" of 1928. Morris Eller, Thompson's city collector, and his son, Judge Emmanuel Eller, were generally believed responsible for the murder of Octavius Granady, a Negro, who was running against the elder Eller for Ward Committeeman. Frank J. Loesch, who was appointed special prosecutor, charged that Al Capone had contributed \$260,000 to Thompson's campaign fund. In the Mayor's Cabinet Ettelson was alleged to represent utility interests, while Marshall Field & Co. was allowed to buy from the city for a ridiculously inadequate sum an alley intersecting their stores. Michael Faherty of the Board of Local Improvements was made defendant in suits alleging fraud in paving contracts to the amount of \$2,000,000. Moreover, the finances of the city were in a bad way in consequence of a reassessment of real estate which delayed the collection of taxes and forced recourse to bankers and business men for advances to meet payrolls of the most necessary services. Thompson had threatened in the primary campaign that, if Crowe were defeated, he would resign. In fact, he now absented himself continuously from City Hall. He was broken in health and spirit. The only question was who should take his place at the

controls of the machine which he had ceased to guide.

While Thompson was in retirement the Mayor's office was in control of Samuel Ettelson, the Corporation Counsel. He forced the resignation of Thompson's Chief of Police, Michael Hughes, and appointed William Russell, whose close associate was Alfred Lingle, the *Chicago Tribune* reporter who was afterward assassinated. Did Ettelson betray Thompson? In any case, Thompson was helpless, since the defense of the suit brought by the *Tribune* was in Ettelson's hands. The decision of this suit in his favor by the Supreme Court in August, 1930, brought Thompson back into politics. Possibly the feeling that he had been compelled to dance to the *Tribune's* piping was responsible for the violence of his return. He bolted the party nomination of Mrs. Ruth Hanna McCormick, the *Tribune's* sister-in-law, for United States Senator, and issued a malignant review of the physical, mental and moral traits of the family which has owned and directed that paper since the days of Joseph Medill. The landslide by which James Hamilton Lewis defeated "the lady" was doubtless due in part to Thompson's followers, and revived his faith in his star. His best friends begged him to retire, but he was now in the hands of men whose hold on him is most charitably explained by flattery. Moreover, plans for the World's Fair were taking shape, an occasion on which he would adore to represent the city. Above all, he was always for taking the gambler's chance. In the primaries the old Thompson lieutenants lined up behind Judge Lyle, and the Deneen faction nominated Alderman Albert. It was remarkable how rapidly Thompson was able to restore his lines in wards supposed to be controlled by district leaders who had deserted him. In the campaign he surpassed himself in his old methods. His vituperation and scurrility made him a greater attraction than his vaudeville shows and police quartet. He fought alone, sin-

glehanded, for none of the aides who stood by him was of much use on the platform. He won the three-cornered fight in the primaries, but his break from party regularity in the Autumn was too good a precedent to be overlooked by the Republican factions opposing him. In the election they supported the Democratic candidate, Anton J. Cermak. The captains could not hold their lines, and Thompson went down in a defeat as overwhelming as any of his victories. Cermak won by 194,000.

What emerges first from the story of this amazing career is the violence of its vicissitudes. Thompson rode the scenic railway of popularity from peak to abyss, with immense majorities for and against him. A comparable feature is the number of sudden alternations in his personal relations between friendship and hostility. His earlier intimates, Lundin and Robertson, he vilified in 1926 in his famous rat show at the Cort Theatre, in which one of the rodents he called Fred, the other Doc. After his temporary elimination in 1920 he swore that he would never be found in the same bed with Bob Crowe, and Crowe solemnly declared that if he ever supported Thompson he would be ashamed to go home to his wife; yet in 1927 they were again allies. Further, it may be asserted that no politician ever took longer chances, or made bigger mistakes, or escaped their consequences so often, and even turned them to advantage. An example is his closing of the saloons on Sunday in his first term. Cermak, as secretary of the United Societies, the stronghold of the liquor interest, showed a written promise from Thompson that he would not enforce the Sunday closing law. When the order was issued Thompson left the city, and, on his way to California, declared that he had acted under threats of indictment by the Deneen faction. Yet this ambiguous behavior was the basis of a Presidential boom. Again, when the war hysteria was rising to its height

Thompson refused to invite Joffre and Viviani to the city; he opposed the draft bill, and objected to sending food supplies to the Allies; he tried to protect the People's Council, an anti-war organization, in its national convention in Chicago. No other man stood so definitely against the nation in arms—and got away with it. The race riot should have ended his popularity with the Negroes, but it did not. The trial of William McAndrew, superintendent of schools, before the School Board as part of the campaign against British influence, and the appointment of an ex-theatre manager named "Sport" Herman to the Library Board, to clear the shelves of the public library of unpatriotic books and burn them on the lake front, brought a yell of laughter. But even his chauvinism contributed to Thompson's fame and made it world-wide.

The mystery of "Big Bill" Thompson exists in social rather than in individual psychology. Personally, he is a simple character—a sportsman and a sport, fond of games of skill or of chance, for both of which politics offers a lay-out; fond also of publicity and applause; indolent but capable of spurts of energy; good-natured, vain, self-indulgent; keen enough to discern the selfish schemes of those about him, but too confused to extricate himself; shrewd in guessing at what will appeal momentarily to the average sensual man, but unperceiving of consequences—in short the last person to trust with the serious interests of any community. Thompson has always made a boast of his personal honesty—"I don't take it myself." He is, nevertheless, careless about money. Just now the Supreme Court is inquiring what became of \$103,000 out of \$139,000 collected in 1927 for relief of the sufferers from floods in the Mississippi Valley. In his recent drive to stimulate buying he ran true to form, issuing lottery tickets with purchases, and promising prizes of \$1,000,000. No one seems to be worrying about

who will make good on this scheme, least of all "Big Bill."

In the election of April 7, Chicago followed St. Paul's advice to put on the new man. Anton J. Cermak is a complete contrast to his predecessor. While Thompson is a native son of good American stock, Cermak is an immigrant from Bohemia. Thompson received his education at the public schools and at Yale, and an LL. D. from Wilberforce University; Cermak went to night school. While Thompson was playing football, riding range, sailing races, Cermak was building up various business interests in the Czech quarter on the West Side. He is as industrious as Thompson is lazy. He is so modest that he does not appear in *Who's Who*. Thompson has never approached the voters with the appeal of a beautiful domestic life. Cermak's photographs, which appear daily, show him surrounded by a band of daughters, sons-in-law and grandchildren. At his inauguration he was presented to the city by his granddaughter, who paid a warm tribute to grandpa. Cermak has been president of the County Board for the past six years. His administration has been efficient. While Thompson was building viaducts and bridges, Cermak was buying land outside the city for forest preserves and extending the highways. There has been graft, of course; a road engineer from Wisconsin investigating the Cook County highways remarked: "What you need is not an engineer but a grand jury." Cermak as secretary of the United Societies was long the active head of the liquor interest, and fought legislation to curb it. No one doubts that Chicago will keep open house during the World's Fair. For the rest, he may be credited with a sincere desire to give Chicago an honest and efficient administration, to show the world what the immigrant can do with the city which contains in proportion to its population more citizens of foreign blood than any other in the world.

Europeans Who Defame America

By GUSTAVUS MYERS

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WHAT is the proper method of measuring a people? Is it fair to single out an acquisitive group or a backward stratum as typical of a whole nation? These questions are called forth by continuing comments on the award of the Nobel Prize for literature to Sinclair Lewis. The gratification expressed everywhere in Europe with the award shows that the impression is really due to the social significance attached to novels such as *Main Street* and *Babbitt*. These novels have been hailed as true portrayals of the American people in general.

Among the numerous Europeans voicing this view one of the foremost has been Prince William of Sweden, whose literary judgments carry weight in his own country. Sinclair Lewis, he announced, "has pictured the average American in an altogether splendid manner." European literati and newspaper writers have specified that their approbation was based not only upon Lewis's literary achievement but because his books have explained America to Europe. George Bernard Shaw said decisively: "Mr. Sinclair Lewis has knocked Washington off his pedestal and substituted Babbitt, who is a European by-word."

Ordinarily when a book by inference implicates the whole of a people the question is raised whether particular delineations can possibly have a sweeping national application. In

this case no query was made and no suspicion aroused. Why this extraordinary receptiveness? Because ideas of Europeans on America are based upon a long legacy of preconception and misrepresentation. In essence Lewis's books merely embody in fiction types which it has long been customary to certify in Europe as the actual American.

Europe has been saturated with adverse comments—they may even properly be termed diatribes—written by its authors and publicists on America. Maurice Maeterlinck saw nothing in America but a people with "the most pitiless commercialism in the world." John Drinkwater, the British playwright, wrote that nearly the whole of the American people "are drifting by some uncanny telepathic process into a standardization of mental habit." To H. G. Wells America has embodied an "immense achievement in material form" which presents no evidence of sustained and commensurate intellectual activity; Sir Philip Gibbs has declared America "a nation of nobodies," and Lord Rothermere has thus summed its capacity: "Work and money-making are the sole interests of the entire American nation." The Earl of Birkenhead, however, in *America Revisited*, softened his criticism by saying that he thought America had begun to realize that dollars were not the most vital thing in life; he was "amused" when touring Amer-

ica seven years ago at "discovering a general resentment in the Middle West against the portraiture of their lives which is contained in Mr. Sinclair Lewis's clever books." Margot Asquith's *My Impressions of America* exhibited Americans as "nationally vain" and suffering from the conceit of "the nouveaux riches." G. K. Chesterton charged America with lack of humility, adding: "We Europeans ought not to compete with America in this sort of wild dance and extravagant proclamation of wares." In line with many others on the list Dean Inge has condemned democracy as reckless and impotent while Cecil Roberts has pronounced universal suffrage a false god and the reign of mediocrity.

André Maurois is one of few among present French writers to discern in the lack of static classes in America "a condition of great moral and political health." To André Siegfried America stands for efficiency at the cost of liberty—"in America you want a government that will increase your creature comforts." André Géraud, the "Pertinax" of French journalism, found in America "a great human monotony," noting 100,000,000 people "measuring their well-being by purely material standards, driving forward like a brute force." Elie Faure sees a danger in the American pursuit of the enormous as an ideal aim and Georges Duhamel in his volume makes a despairing outcry against America as the land of "a brute material civilization." André Tardieu has accused Americans of believing themselves better than other peoples "because they have more worldly goods."

Count Carlo Sforza, Italy's former Minister of Foreign Affairs, says that America "produces a mediocrity and standardization of opinions," and a few years ago the *Osservatore Romano*, official Vatican organ, animadverted on America's "undoubted superiority of the dollar." The burden of Count Herman Keyserling's profuse criticisms of America is this: "Almost

all the typical manifestations of present-day American life are not the expressions of a higher standard of living—they really start from the assumption that man is nothing less than an animal and must be dealt with accordingly." Supplementing his book *America Set Free*, Keyserling has written another book, *Europe*, which is not so much a detraction of democracy as a glorification of aristocracy.

None of the herd of critics seems to know that this European dislike is traditional. The depiction of Americans as a canting, money-chasing people dates back at least 265 years. The year 1666 was the starting point, and the Puritans were the first victims. They were in great disfavor in England, partly because of creed and in part by reason of their self-governing ideas. These, although elementary from the modern democratic standpoint, were then advanced enough to be highly alarming to entrenched British aristocracy. A King's commission, therefore, was sent to Boston. Its report, full of animus, ridiculed Puritans as rude, bigoted and hypocritical; above all it represented them as grasping for money and toadies to wealth.

But the main concern of the Puritans was with religion and conduct, zealotry for which, it may be interjected, was also strong in other colonies as well as in New England. Naturally the Puritans were developing the fish, timber and other resources of their section; likewise the other colonists were busily engaged with the products of their areas. Powerful outside interests, however, were seeking to exploit America. They were the chartered corporations financed in England, Holland and France and directed from these countries. There was intense rivalry between the British and French Governments for control of the fur trade; Colonial documents testify to the unscrupulous, often murderous tactics to which each resorted to capture this rich source of

wealth. The findings of the King's commission gave the authoritative foundation to statements spread in England that, contrary to their devout professions, the Puritans were avaricious. Colonel Robert Quarry, a royal official in America, notified the Lords of Trade in 1703 that the independent political ideas of the Puritans had great and growing influence in America. He urged that a stop be put to the spread of these "pernicious notions." As efforts to change these were futile, a campaign to discredit all American colonists was set in motion. To make their aims seem base, they were described as caring for nothing but the pursuit of money.

Surveying European society during this general period we find a series of sensational operations in the quest for money and booty. This was the time of the South Sea Company with its "get-rich-quick" epidemic of speculation ending in a great financial panic. It was the heyday of the rapacious Dutch East India Company which, dating from 1602, regularly kidnapped men to serve on its armed trading fleets employed in ravaging peoples. The British East India Company lorded it over India by force and fraud, exported £1,500,000 of British products annually to India and China, extorted vast sums in trade and plunder, and converted many an Englishman into a nabob who used his wealth to buy his way into Parliament. From the seventeenth century onward was the era in which flourished the Royal African Company with its "mighty profits" of 40 per cent from the slave trade; in the British Parliament in 1771 these profits were estimated to have risen to £2,000,000 annually; aristocracy shared in them, and at one time royalty had been a beneficiary. French, Dutch and Danish fleets of slave traders were pouring wealth into their countries. The British and Dutch indulged in recriminations regarding one another's avariciousness. This moved Sir Gilbert Heathcote, himself a West India merchant who

became Lord Mayor of London, to chide his countrymen by telling them that "the English have as good appetites for gold as the Dutch have."

Such being European conditions, why was the charge of money madness fastened upon America? The explanation was found in the Old World's glamour of titled aristocracies with their stately pomp and their vaunted code of honor. Disdaining trade as sordid, looking with contempt upon work, the nobility was set up as the index to the true high tone and exalted standing of European countries. In America there was no established aristocracy; traders held the stage as the most conspicuous class.

The foundation of the American Republic affrighted European aristocracies. They discovered a vital common cause in seeking to bring into disrepute a people whose principles imperiled the continuance of the old order. At the same time they extolled the benefits conferred by their own caste. "The idea of the necessity of a nobility for preserving decorum and giving éclat to a nation has been assiduously propagated throughout the world." So, in April, 1792, declared the *American Museum or Universal Magazine*, the patrons of which were George Washington and other notables.

Attacks upon the American people were now to be found in books purporting to be observations of European travelers. Three separate works led the way, and their immediate success in Europe caused them to be models for a succession of similar books in following decades. The Duke de la Rochefoucault Liancourt was a French monarchist tinged with supposedly liberal opinions on popular education. But his sole view of this was the supercilious one of aristocratic patronage. During the French Revolution his estates had been confiscated. He came to America as an exile in a state of peevish irritability. Apparently comprehensive, his vol-

umes on America described political, geographical, mercantile and other conditions. But it was upon the operations of the land speculators that he fixed attention. In his *Travels Throughout the United States of North America* he wrote of Americans that "the desire for riches is their ruling passion." He enlarged upon their "excessive cupidity of becoming rich," and dwelt frequently upon their "greediness." He did not qualify these statements by saying that some Americans were so actuated; without reservation he included all Americans. Yet at this time the popular mind in America was kindled by the issues in the opening struggle between Federalism and Jeffersonian Democracy. Published in France in 1798, and in an English translation in London in 1799, his book had a circulation very large for the time, and a continuing influence throughout Europe.

At the same time there came to America (attended by his servant) a youth of 21 years, one Isaac Weld Jr. of Dublin. His father had held a lucrative British Government office; the younger Weld had been educated in a snobbish private school with titled aristocrats as mates; he was steeped in caste prejudices. This callow individual wrote two volumes in which he construed the prevailing pioneer spirit everywhere and the frequent shifts of settlers as sure proofs of a sinister activity prompted wholly "by the desire of making money." This aim, he wrote, was typical of every class; "self-interest is always uppermost in their thoughts; it is the idol which they worship." Dealing rationally many years later with American settlers, De Tocqueville pointed out why in Europe a restless disposition was regarded as a grave menace to the established order; attachment or bondage to the land there was the result of centuries of serfdom. Europe acclaimed Weld's volumes, which were published in London in 1799, frequent editions following. A French transla-

tion was brought out in Paris in 1800; two German translations were made, and an edition was issued at The Hague. Dutch reviewers and editors sanctimoniously moralized on American land speculation and its greed, but not a word escaped them of the proved huge frauds in America perpetrated by the Holland Company, which was financed by Dutch bankers.

The third book setting the pace for the literary mode of derision was by Richard Parkinson, self-styled "English gentleman," who dedicated his *A Tour of America to 'His Royal Highness the Duke of York.'* The dedication contained a perfervid exposition on the "wicked intentions and wild chimeras" of peoples presuming to introduce "a fallacious equality." Parkinson's book, which was published in London in 1805, indiscriminately declared that "all the men in America make money their pursuit." At this period and for more than a quarter of a century later America was distinctively rural; its cities were small and its marts insignificant. In shipping America had made progress, but the inception of ambitious factory operation did not begin until about 1830. Great Britain long stood supreme in commerce, industry and finance.

The effect of these books was not transient. For thirty and forty years European critics of America quoted Liancourt and Weld as authorities. The *London Times*, the *Quarterly Review* and many other publications in England and in continental Europe fell back upon those books in characterizing Americans as possessed by "an eager, universal desire for gain," and "a worship of the divinity of the lucre." Allowing for cupidity in America, the American people as a whole, however, had very different preoccupations. During this period they were engrossed in the two great movements for manhood suffrage and general education—innovations exciting bitter

antagonism among European upper classes.

All the disparagements or revilings of America penned by a flock of English, German, French and other travelers were effusively welcomed in Europe. When, however, in 1819, Henry Bradshaw Fearon's book *Sketches of America* came out, an important British reviewer condemned him as "a renegade Englishman * * * evidently a man of limited faculties." Fearon had adhered to the convention of scoring American "dishonesty," but he had committed the heinous variation of conceding to the American system some civil and political advantages. Hence the abuse heaped upon him. In a spasm of candor the *Edinburgh Review* on one occasion admitted "the scurrility with which America had been attacked," blaming it on Tory influence which, it said, was against liberty and free government. And the *Quarterly Review*, inveterate scoffer at America, did in an unguarded moment (in November, 1829) acknowledge that "most of the travelers have made only hasty flights through the Republic."

The practice—or rather industry—of deriding America—was already stale by the time Charles Dickens visited America to add his collection of strictures, every one of which had been previously made. One of the small number of European publications to speak favorably of America was the *London Morning Chronicle*. In an editorial, on Aug. 22, 1835, it said that while the envious traveler saw only defects in America, it was a nation proceeding on a straight course toward greatness, its career unhampered by "the interference of a privileged and titled aristocracy." Also, of the multitude of books, very few did justice to America. Harriet Martineau gave due credit to American civility and generosity. In his *Democracy in America* De Tocqueville sought to inform Europe that the urge for equality of rights was the great American national passion. British reviewers

and editors were furious at Michael Chevalier for saying in his *Society, Manners and Politics in the United States*, published in 1839: "All English travelers in America have belonged to the aristocracy by their connections or opinions, or were aspiring to it, or aped its habits and judgments that they might seem to belong to it." Unbiased books were submerged in the flood of prejudiced writings. And they were violently attacked. By distorting the substance of De Tocqueville's book, spokesmen for European privileged classes affirmed that his writings proved how democracy was ushering in an era of mediocrity and vulgarity to sacrifice the excellences of the old social order. Nor did Europeans take kindly to De Tocqueville's reminder that corruption had long prevailed in England and France.

All through these decades both Great Britain and France were deeply incensed at sweeping characterizations of themselves. A solitary Prime Minister's violation of his pledge was no reason for other European countries stamping England as "perfidious Albion." Nor because there were money-avid trading groups in England did ground exist for Napoleon's designation of England as "a nation of shopkeepers." The profligacy of French courts and their retinue supplied no warrant for affixing the stigma of "degeneracy" to the whole French people.

A change came during our Civil War. Where before all Americans without sectional distinction had been proclaimed sordid, a distinction was now made. Esteeming the South as fighting for the cause of aristocracy against democracy, every organ of aristocracy in Europe denounced the North as bent upon lust of conquest and financial profit. British publications conveniently forgot Great Britain's recent war upon China to retain the opium traffic yielding England £6,000,000 revenue a year. And French publications overlooked France's dep-

redations in Algeria. Vilification of Northern motives was so widespread that in 1864 a group of French liberals issued a pronunciamento assuring Europe that it was "full of errors" concerning America.

After the Civil War the lumping together of all Americans as dollar-obsessed was resumed. In his book *The Great Republic*, Sir Lepel Henry Griffin asserted that equality in America was "the monomania of an entire nation"; that democracy had placed power in the hands of the lowest and basest of people; and he lamented the mastery of wealth instead of caste. *America Revisited*, by George Augustus Sala in 1882, made a special invidious point of acknowledging courtesies shown him by "Railway Kings," "Silver Kings," "Corn Kings," "Pork Packing Kings" and other such "kings." Dealing with the United States in his *Discourses on America*, published in 1884, Matthew Arnold wrote that the danger of its democracy "was in the absence of the discipline of respect; in hardness and materialism, exaggeration and boastfulness; in a false smartness, a false audacity, a want of soul and delicacy." Meanwhile, James (later Lord) Bryce had written his noteworthy *The American Commonwealth*. But, as the sequel showed, even this fair, thorough study could not prevail against the sway of instilled prejudices fed anew by ever fresh accession of books and articles.

The dollar was declared supreme in America by Paul Blouet, widely known under his pseudonym, "Max O'Rell," and regarded as "the French Mark

Twain." Thus in his book, *Jonathan and His Continent*, published in 1889, he wrote that the ordinary American "looks upon every man as possessing a certain commercial value." In his *Letters of Travel* Rudyard Kipling glibed at the people of Eastern American cities who "call aloud on Baal of the Dollars" and who catalogued to the stranger the possessions "that they have made gods over them." *The Land of the Dollar*, by G. W. Steevens, in 1897, was originally a series of articles in the London *Daily Mail*. This book stigmatized Americans as "the most materialistic people in the world" and depreciated all Americans as dull and socially unacceptable. Venomous editorials and articles on America in the influential European press during the Spanish-American War in 1898 showed how deep had sunk the effect of centuries of calumny.

The validity of foreign criticisms seemed to be confirmed by those of Henry James. Nominally an American author, he had actually expatriated himself and had become Anglicized. His book, *The American Scene*, written in 1906, after an absence of nearly twenty-five years, told of the "huge American rattle of gold," specifying how in America money was a shortcut to the highest aspirations, and manners were but the expression of money income. These are some of many in the long procession of assaults. That their persistency and volume have influenced the attitude toward their own country of groups of American writers is obvious.

The New Turkey Under Mustapha Kemal

By CALEB F. GATES

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[When the recently elected Turkish Parliament met on May 4, Mustapha Kemal Pasha was elected President of the republic for the third time in succession and without a single dissenting vote. The article printed below surveys the progress made by Turkey since Mustapha Kemal was first elected President in 1923].

SOME years ago I asked the Bulgarian Minister to the republic of Turkey what he thought of the men at Ankara, the capital. He said: "They are working as we never thought Turks could work." This is still the general opinion. The men of the government are fully alive to the tremendous size and difficulty of the task they have undertaken. When I congratulated Prime Minister Ismet Pasha upon the work already done toward modernizing Turkey, he said: "We must work much more. We must work a thousand years."

The history of the republic of Turkey belongs to the last eight years, for the republic achieved its full sovereignty only at the signing of the Lausanne Treaty on July 24, 1923. The people had been robbed of all initiative in political matters by the long rule of the Ottoman Sultans and preyed upon by corrupt officials. Though there were always some good Governors and administrators who struggled against a bad system, the new republican government has had to make use of a certain number of officials trained under the old, corrupt system. Much time has therefore been required to train a new set of government servants and to imbue the

minds of the older men with new principles. There has undoubtedly been a great improvement in the way in which the country is governed, even if there are still places where officials of the old order remain in office and permit old abuses to continue. An additional difficulty has been due to the changes in the legal system as a result of adopting European codes. It requires considerable time to accustom judges and officials to the administration of these new laws. In these days we hear constantly of abuses of office. Formerly they excited no comment, but now offenders are brought to trial and punished. Probably more has been accomplished in reforming the methods of government than could have been expected under the existing conditions in the few years since the republic was established.

Turkey has had to face an unusual difficulty in the dislocation of labor and business caused by the exchange of populations. Farmers, laborers, business men, who had carried on a very large part of the work of the country, gave place to a new set of men with a different training and often ill-fitted for conditions in Turkey. To locate these newcomers properly and to adjust them in the social structure of the Turkish Republic was a tremendous task. In the old times the occupations open to Turks were for the most part military service and civil office. The republic soon realized that since Turkey was

becoming a nation of Turks with a homogeneous population, the Turks must learn to do the work formerly done for them by men of other nationalities. Hence they sought to force the issue by compelling all business firms and industrial establishments to employ not less than 25 per cent Turks. This measure has been only partially successful. The change of conditions has been sudden and violent, and adjustment to the new order requires time. This does not mean that Turks are incapable of becoming skilled artisans and good business men; all they lack is training, knowledge and initiative. Business firms, concerned to have their work done as thoroughly and as rapidly as possible, naturally seek men already trained to do what they require. The government is striving to prepare Turks for business life through schools of commerce, but progress along these lines must necessarily be slow.

From the first the government of the republic has appreciated the need of railroads to open up the provinces of Asia Minor and to develop the agricultural and mineral resources of the country. The Ottoman régime had done very little in providing the country with railroads, leaving to the republic only 210 miles of lines in Europe and about 2,633 miles in Asia Minor, situated mainly in the southern and western provinces. This is a very small mileage in proportion to both area and population. When the Bagdad Railroad, now called the Anatolian Railroad, was built, Russia claimed a prior right to any concessions for railroads in the provinces bordering on the Black Sea, a very elastic formula, with the result that the northern provinces were left unprovided for. To remedy this the government has projected a line from Samsoun on the Black Sea to Sivas, 112 miles, and a line from Ankara to Sivas, 247 miles. These two lines will give 359 miles of railway, of which two-thirds have already been completed. Eventually the railway from

Samsoun to Sivas will doubtless be extended through Malatia, Harpoot and Diabekir to meet the Anatolian Railway, thus making another through line of great importance to the country. In addition to these railroads built by the government, concessions for building several thousand miles by 1934 have been given to foreign groups.

The charges against the budget for railway construction have increased from about \$49,000,000 in 1924-25 to \$142,000,000 in 1928-29, and \$152,000,000 in the budget for 1931. All the rolling stock and a considerable part of the construction material must be purchased abroad and paid for in foreign currency. The charges for railway construction in 1928-29 constituted about one-seventh of the budget. This is one of the factors in the stringency of the present monetary situation. The government has shown great daring in undertaking to finance such railway extensions entirely out of the country's resources. In addition to railroads, highways for motor traffic are being constructed in the provinces of Asia Minor.

The wealth of Turkey consists largely in its agricultural products, but for the last few years the harvests have not been abundant. In 1928-29, on account of the severe Winter, the crop of nuts, figs and raisins was considerably below normal, and exports fell off. Then the merchants, in anticipation of the new customs tariff, bought goods largely in excess of their present needs, which must be paid for in foreign exchange. The fall in prices of agricultural products has occasioned a serious loss. The government has had to add to its budget some 20,000,000 liras (about \$10,000,000) for payment of annuities on the Ottoman public debt while building railroads without foreign loans. All these causes conspired to create a demand for foreign exchange which forced down the Turkish lira, normally worth \$4.40 on a gold basis before the war, to about 45 cents. This produced

something of a panic, leading people to exchange Turkish for foreign currency. The government intervened with a law to prevent money from going out of the country needlessly by making all transactions in foreign exchange pass through the banks, which cannot pay out deposits in foreign currency without the permission of the government's control commission. A State bank is being founded with a view to stabilizing the currency.

At the same time the government has inaugurated a campaign to encourage savings and economy, urging the people to buy only native products and to wear clothes manufactured in the country. The people are responding to this appeal with considerable zest. There is much talk of the necessity of a moratorium on the ground that Turkey cannot meet her obligations, and representatives of the holders of the Ottoman public debt have visited Ankara to confer with the government and to examine its financial resources. Payments on the Ottoman public debt will probably have to be suspended until the country can recover from the present financial stringency, though the government fully realizes the necessity of keeping its credit good. The fact is, however, that the purchasing power of the people has been depleted by the years of war, the exchange of populations, poor harvests, and other causes; and the financial situation can only be remedied by an increase in the productive power of the country. Hence the recovery of the Turkish currency must necessarily be slow.

The government is paying great attention to the sanitary and hygienic conditions of the country. Under the leadership of Dr. Refik Bey, the Minister of Health, a campaign is being carried on against malaria with great success, and a permanent commission has been constituted for this purpose. When I visited Ankara six years ago, many of the officials were suffering from malaria, and every one had quinine on his desk or in his pocket.

With the aid of the Rockefeller Foundation, malaria has been stamped out in Ankara, and similar measures are being taken in other parts of the country. Another commission has been formed to combat syphilis.

A number of societies have sprung up within the last few years to remedy social defects and to improve social conditions. These include the Society for the Protection of Children, the Association for Mental Hygiene, the Women's Union and the Green Crescent, a temperance organization.

The government is fully alive to the importance of education. The change from the Arabic to the Latin alphabet, accompanied by the elimination of Arabic and Persian rules of grammar, has greatly simplified the task of learning the Turkish language. The government has established people's schools for adults and made it compulsory for all adults to learn to read and write. They must pass examinations in reading, writing and simple arithmetic before they can be exempt from attendance at these schools. It is a large undertaking. One Turkish journal estimates that under the old régime 90 per cent of the people were illiterate. The papers give the attendance at the popular schools in Constantinople as 43,000 in 1931, as against 12,000 in 1930. Twenty thousand have just passed examinations with success.

The change to the Latin alphabet severs the connection between the old and the new Turkish literature. Text-books in the old characters were condemned, and new ones had to be prepared at great expense. Printing establishments were obliged to buy new type and to reorganize their work. A Turkish editor wrote in June, 1929: "The revolution in characters transformed our libraries, which were full of Arabic and Persian works, into museums, and has left their use to a handful of scholars; it has opened the doors of modern science to the new Turkish generation." The Turkish

newspapers hailed this change as the greatest of the reforms introduced by the Ghazi (Mustapha Kemal Pasha). Said the Minister of Education in a statement in August, 1929:

"One day Mustapha Kemal declared in a session of the National Assembly that our Arabic characters constitute the real obstacle between Turkey and Europe, between our nation and civilization. To learn to read in Turkish formerly required five years; now with the Latin characters six months are sufficient. For good administration and progress a nation must be literate. In our country there were cantons composed of twelve villages where not a single person could be found who could understand a governmental decree or information about better plowing or children's diseases. Today, in place of 3,850 primary schools in which the Koran was memorized with no understanding of its meaning, we now have 6,850 schools. In these schools 441,000 students learn history and geography, they know where Paris and New York are, and they know some of the achievements of Pasteur."

Many new schools have been opened within the last few years—in 1927 a school of law in Ankara; in 1928 a school of physical education in Constantinople; in 1929 a normal school of music in Ankara; and in 1930 in Ankara a primary and middle normal school called the Ghazi School, after the President of the republic. Also in 1929, schools were opened to train girls in dressmaking and sewing in Constantinople, Scutari and Smyrna. The government has decided to construct twenty-four new school buildings in the city of Constantinople, and eleven in the suburban villages. The contracts for some of these have already been given, and a few have been constructed. A credit of \$2,500,000 has been set aside for these buildings, which are to be finished within five years.

At one of the public conferences which President Mustapha Kemal

Pasha has held in the towns of Turkey, he said: "Every time a Minister of Education has been appointed, the new Minister has introduced a new program, and with these frequent changes of program the educational system has suffered much confusion and remained backward." He urged a national system which should not be changed with the change of Ministers. In the past Ministers have often been chosen for political considerations rather than for their knowledge of educational affairs.

The transformation of Ankara, the new capital of Turkey, may be taken as an example of what is occurring in the country as a whole, only much more slowly. I first passed through Ankara thirty years ago on my way from the interior of Asia Minor to Constantinople, and spent one night there. Ankara was then a village like most of the villages of Asia Minor. Its houses were built of bricks made of clay mixed with straw and dried in the sun. We lodged in a *han* which was just like those that were found all over Asia Minor, a caravansary with stables for the animals below and rooms for travelers just above them. We carried iron beds and food, and our man servant cooked for us. The *han* was dirty, full of smells, and infested with vermin. I have visited Ankara often since that time. Five years ago a beginning had been made on a few buildings for the offices of the government, but the different departments were crowded into the new and old buildings. At night we carried a lantern to light our way, and the mud in the streets would pull the rubbers from my shoes. There was practically only one paved road, that which led from the station up to the town. Now the different departments of the government are housed in separate buildings which are large and pretentious. The banks occupy fine new buildings five or six stories in height. There is a hotel which would be considered first-class anywhere in Europe, and a number of other hotels

of second grade. Electric light and good roads prevail, and transportation is provided by auto-buses.

In religion the most important event has been the separation of what in the West we call Church and State. The steps toward this end were the abolition of the Caliphate, the suppression of the *tekkehs* and *tur-behs*, the abolition of the Sacred law, and the elimination from the Constitution of the clause, "Islam is the religion of the State." The religious schools were suppressed, and the education of religious leaders has been committed to the department of theology of the Turkish University. The instruction given in this department is as yet confined largely to the statistics and history of Islam. This sudden change has undoubtedly created an impression in the minds of young men that religion is not necessary, and they often scoff at it. It is not, however, the intention of the government to suppress religion, but rather to free the religious spirit from the restrictions of the old system with its superstition and its dogmatism, and to develop individual liberty in religion. There is religious instruction of an elementary sort in primary Turkish schools. Foreign schools are permitted to give instruction to their Christian pupils in their religion if they obtain the consent of their parents. While these religious changes have resulted in producing a certain amount of free thought and indifference, they have also encouraged ear-

nest men and women to inquire into the true nature of religion, and there are many expressions of a desire for something more spiritual than they have had in the past. It would seem as if the Turks were waiting for inspired religious leaders who could mark out for them a better understanding of their own religion. A small reactionary religious and political outbreak, led by a fanatical dervish, occurred in January, 1931, but was quickly suppressed.

Early in 1931, with the consent of the government, an attempt was made to found a new Liberal party. Apparently the idea of the government was to provide an opportunity for legitimate criticism of proposals made in the National Assembly. Unfortunately, however, this opposition attracted many discontented men and many of the least desirable elements of the population, and it led to abuses, and the new party soon dissolved. It would seem that Turkey is not yet prepared for a two-party system.

The government is now considering the change of its electoral system from that of election in the second degree to election in the first degree, so that the people may vote directly for deputies. A new election has been ordered to allow the people to express their approval or disapproval of the present government. It is also proposed to change the age at which citizens are entitled to vote from eighteen to twenty-one years.

In short, the Turk is at work.

Woman's Victory for Full Citizenship

By JOHN L. CABLE

[John L. Cable, the author of this article, has represented the Fourth Ohio District in Congress from 1921-25 and from 1929-31. He is the author of the Federal law, known by his name, granting independent citizenship to women, which is discussed in the following article, and also of the Federal corrupt practices act.]

MARCH 3, 1931, will mark in the annals of American history another great victory in woman's long battle for equal rights. Late on the last night of the Seventy-first Congress, President Hoover signed the second perfecting amendment of the women's independent citizenship act of 1922, and thereby granted American women citizenship on a basis of complete equality with American men. In this way the United States declared to the world that here at least marriage shall not change a woman's citizenship. The new law is the culmination of a nation-wide struggle to free women from the ancient bonds of inequality. As a logical sequel, equality in citizenship has come fast upon woman's earlier victory in the suffrage amendment—but only after a determined and persistent fight for twenty-five years.

Citizenship and suffrage, however, must not be confused. Citizenship is the relation one bears to one's country, while suffrage is the privilege of voting. It was confusion of these terms that led to Susan B. Anthony's famous trial in 1873 for voting when the law gave her no right to vote. She claimed that the Fourteenth Amendment gave

her the right of suffrage, but the amendment simply defines citizenship.

For more than a century after the founding of the American Republic it was uncertain how marriage to an alien affected an American woman's citizenship. Some courts held that she became an alien, others the opposite. The effect of an alien woman's marriage to an American was made clear by the act of 1855—she became an American. But not until the act of 1907 was it definitely settled that an American woman who married an alien became an alien by that marriage. The 1907 act provided that upon the termination or dissolution of the marital relation, the former American woman might resume her American citizenship by meeting certain requirements. During the continuance of the marital status, however, she was deprived of all the rights and privileges of American citizenship. If she went abroad to live with her alien husband, she was not protected by our government. She could not travel on an American passport. Should her property be seized or confiscated, the State Department could not intercede in her behalf.

The American woman who married an alien and continued to reside in the United States suffered equally great hardships. In many States she could not hold real estate or corporate stock, nor could she be a corporator; her marriage had made her an alien. She was deprived of her right to practice law, medicine or any other profession

which required an oath of allegiance. The States prescribe the qualifications for voting, and in most States she could not vote, even after the Nineteenth Amendment. Indeed, as an alien, she might have been expelled from her native land.

The first bill to grant women independent citizenship was introduced in Congress in 1906, but was shelved, and the act of 1907 was passed instead. For nearly fifteen years all similar bills were sidetracked until the movement for citizenship equality had gained such momentum that the principle was endorsed by both major political parties in 1920.

The dominance of an alien husband's citizenship was repugnant to every thoughtful American woman. Mrs. Maud Wood Park, president of the National League of Women Voters, ably expressed the feelings of American women when she said: "A woman is as much an individual as a man is, and her citizenship should no more be gained or lost by marriage than should a man's. To forfeit or acquire citizenship by the mere fact of marriage, without regard for the desires or the qualifications of the individual affected, belittles both the individual and the sacred right of citizenship."

The bill which passed Congress and was signed by President Harding on Sept. 22, 1922, declared in principle that the marriage of a woman, as in the case of a man, shall not be a naturalization process. In practice, however, that act did not give American women complete citizenship equality. What it provided was that the American woman who marries an alien shall not thereby lose her American citizenship; that the alien woman who marries an American shall not thereby acquire American nationality; that the woman whose alien husband is naturalized does not acquire American citizenship by his naturalization; and that the American woman who was expatriated by marriage to an alien under the 1907 act

may be repatriated by a shortened naturalization process. The shortened process of naturalization for the American-born wife of an alien was not, by the 1922 act, restricted to that class of women. Practically the same privilege was open to the eligible alien wife of an American married after Sept. 22, 1922, and to the eligible alien wife of an alien naturalized after the passage of the act.

Great as was this forward stride, all the inequalities had not been stricken from our statute books. After seven years of experience with the 1922 act, it was apparent that married women still suffered some hardships. In 1929 a bill was introduced to amend the act of 1922 and remove the remaining discriminations. That bill was changed slightly on its way to enactment and signed by the President on July 3, 1930.

In interpreting the women's citizenship act the courts held that repatriation of former American women required one year's permanent residence in the United States, that is, residence here for one year with the intention of permanent residence in this country. Proof of that requirement was especially difficult for a woman whose family resided abroad. Her certificate of arrival might show that she had returned only as a visitor. But the 1930 amendment changed that situation. It provided that thereafter such women might be repatriated without proving residence here and without proving the intention of permanent residence.

Another difficulty for the former American woman wishing to return to the United States for repatriation was the immigration act of 1924. As an alien she could return only as a quota immigrant. If the quota of her husband's country was exhausted, she could return only as a visitor, and her residence as such was temporary and therefore insufficient for repatriation. This difficulty also was removed by the 1930 amendment, which provides that former American women mar-

ried to aliens may return to this country as non-quota immigrants.

The American woman who had married a foreigner and gone abroad to live with him under the 1922 act suffered a presumptive loss of citizenship by her residence abroad. This provision, however, had never affected the citizenship of an American man who married an alien. The presumptive clause was repealed by the act of 1930 making it possible for the American woman to marry an eligible alien but to retain her citizenship wherever she might reside, and however long.

But the declaration of independent citizenship for women was not yet complete. There was no provision for repatriation of those women who had lost their citizenship by residence abroad. However, a new bill sponsored by many resolute national women's organizations, became law when President Hoover signed it on March 3, 1931. This second amendment of the 1922 act enables American women who lost their citizenship by presumption to be repatriated by the shortened process.

Under the law of 1922 the American woman who married an alien ineligible for citizenship lost her citizenship, and the wife of an ineligible alien could not be naturalized. The act of March 3, 1931, provides that the women who marry ineligible aliens shall no longer lose their citizenship, that women who previously lost citizenship by such marriages may be repatriated, and that the eligible alien wife of an ineligible alien may be naturalized. This second amendment perfects the women's independent citizenship act. Henceforth an American woman will not lose her citizenship because of her marriage or because of her residence abroad, unless she herself renounces her citizenship.

There is but one remaining objection to our women's citizenship law; it conflicts with the laws of some of

the other countries. The remedy is to write the principle of independent citizenship for women into a codification of international law. Last year this was attempted at The Hague Conference for the Codification of International Law, but without success. The League of Nations, however, has requested delegates of international women's organizations to draft a report on citizenship of women for consideration by the Council of the League at its meeting next September.

The alien wives of American men no longer have citizenship thrust upon them by marriage, but they are privileged to become Americans if they wish to do so. Again, the alien wife of an alien may now become a citizen by naturalization in her own right and without regard to the wish or eligibility of her husband. Alien women are now being naturalized in increasing numbers. In 1923, the first year after the Cable act, 6,011 alien women were naturalized. By 1930 the number had grown to 48,881. During the same period the number of alien men naturalized annually fell from 148,000 to 127,000.

Before 1922 alien wives of Americans, becoming Americans by marriage, were admitted to the United States despite their mental, moral or physical unfitness. The situation had reached such a point that the courts were recognizing proxy marriages. The husband in those cases might see his wife for the first time when he met her at the boat. This practice encouraged fraud. Under the present law, however, marriage to an American does not make the alien wife a citizen and does not admit her to this country. She must qualify under the requirements of the immigration laws. Marriage no longer nullifies that provision of the law barring the mentally, morally and physically unfit. Thus women's independent citizenship laws have also greatly strengthened our immigration laws.

The Rising Cost of American Government

By JOSEPH BYRNS

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ONLY forty years ago Speaker Thomas B. Reed made his famous boast about the United States being a billion-dollar country. This was in answer to a criticism by another member of Congress that at the rate Federal expenditures were increasing Congress would soon be appropriating \$1,000,000,000 to meet the governmental requirements, not for one year, but for the two years for which each Congress appropriates. If Speaker Reed were now living, he would have to revise his estimate upward, and very sharply.

It was in the Fifty-second Congress, which sat from 1891 to 1893, that the \$1,000,000,000 mark in appropriations was reached for the first time. In the Fifty-third Congress they fell back somewhat, dropping a little under \$1,000,000,000. In the Fifty-fourth Congress they again exceeded that figure and started on an upward climb with the result that the Seventy-first Congress, which adjourned on March 4, 1931, carried appropriations beyond the \$10,000,000,000 mark for the first time in the history of the country, except in time of war. Appropriations made by the Seventy-first Congress totaled the enormous sum of \$10,249,819,315.60.

During the last Presidential campaign Mr. Hoover said that President Coolidge had "dignified economy to a principle of government." Yet, during

the first two years of President Hoover's Administration, appropriations for the Federal Government exceeded those made by the Seventieth Congress during the last two years of the Coolidge Administration by \$956,346,723.60, or approximately the total of all appropriations for a two-year period in Speaker Reed's time. Nor can this increase in appropriations by the last Congress be attributed in large part to the appropriations for loans to farmers in the drought area, for speeding up government building, for rural sanitation and for other emergency measures, which amounted to only \$196,000,000. This figure represents only emergency expenditures, in addition to the \$530,455,000 scheduled for public works in 1931, as compared to the average \$275,000,000 spent annually in prosperous years. While in itself a considerable sum, the \$196,000,000 for emergency measures is less than 2 per cent of the total of all appropriations made by the Seventy-first Congress. Even if entirely eliminated from consideration, it leaves the excess over appropriations by the Seventy-first Congress at \$760,000,000.

Federal Government costs, moreover, represent only about one-third of the burden of government which the people must bear. For example, in 1927 Federal expenditures were \$4,069,000,000, while the total of ex-

penditures by the Federal and State Governments and the smaller units, such as municipalities and taxing districts, was more than \$12,000,000,000, the State Governments expending that year \$1,655,000,000 and the local governments \$6,450,000,000.

The cost of government has risen so sharply during the last quarter of a century that taxpayers are beginning to wonder why, and to ask if there is ever to be any easing of the tax load. A few years ago, under prosperous conditions, when wages were high, profits heavy and many incomes enormous, the tax burden was not so severely felt. A few dollars more or less in the tax levies made little difference, and complaints were few. But conditions have changed. In many industries profits have been substantially reduced; many plants are either idle or on a part-time basis; payrolls have been reduced, and millions who must toil for a living are unable to find any work at all. With the tax burden resting more heavily on the people, they are beginning to inquire why government must exact so much from them and whether they are getting 100 per cent value for their tax payments. An editorial in a weekly newspaper published in a Middle-Western community recently said:

"Never in the history of the State has the public been so irate over the tax situation as at present. Any time you see a group talking together, you can depend on it that tax matters are getting an overhauling. It is getting so one shuns the morning paper, for fear of reading about another tax proposal by the State Legislature. There is just one ray of light in the whole picture—the fellow who pays no direct tax is learning that he pays taxes after all, through the indirect tax. When that idea gets to the voter, we may expect an aroused citizenry to take a firm stand that taxes be lowered."

The editorial concluded by asserting

that "there is only one way to reduce taxes, and that is to quit spending money." Which recalls another famous remark by a former Speaker of the House, "Uncle Joe" Cannon, who observed that "the way to reduce is to reduce."

In the first report of the first Secretary of the Treasury to the First Congress, dated Jan. 9, 1790, Alexander Hamilton included an "estimate of moneys needed for the current year" for governmental activities. For the civil list, which included all the government departments of that day excepting the War Department and the pension list, he recommended the appropriation of \$254,892.73; for the War Department \$155,537.72, and for pensions for Revolutionary War veterans an additional \$99,979.72, amounting in all to \$507,410.17. In addition, he requested \$600,000 for the current year for "the necessary provision for the Foreign Department," which was then being set up, making a total for all requirements of slightly over \$1,100,000.

When one contrasts the few activities and small financial needs of the government of that day with the multifarious projects and purposes for which \$10,000,000,000 was appropriated by the last Congress one wonders if we have not wandered far from the Jeffersonian idea that that government is best which governs least. Indeed, Secretary Hamilton himself seems to have agreed with his great political rival, Thomas Jefferson, about restricting the scope of the Federal Government and holding down expenditures to a minimum.

The habit has grown up of holding Congress responsible for our spending orgies and of looking upon that body as the great national spendthrift. It was with the idea of more economy in government that our Federal Budget Bureau was set up nearly ten years ago, in the hope that it would pare appropriations to the lowest possible figure and save the people large sums

of money. As things have turned out, however, it has been Congress, and not the Budget Bureau, that has trimmed the estimates. Despite the fact that appropriations by the Seventy-first Congress were approximately \$10,250,000,000, they were \$55,000,000 less than the sum the President and the Budget Bureau asked Congress to appropriate, and since the establishment of the Budget Bureau in the fiscal year 1923 its estimates, as approved by the President, have been reduced by Congress to the extent of \$413,132,181.95.

Since Alexander Hamilton's time the costs of government have risen out of all proportion to the growth in population. In 1790, when Secretary Hamilton was requesting about \$1,100,000, the population of the country was approximately 3,000,000, so that the per capita cost of the Federal Government that year was only about 35 cents. In 1795 Secretary Hamilton's report showed Federal expenditures to be \$5,681,843.84. Much of this heavy increase was accounted for by an expenditure of \$1,511,795.29 for "expenses of military land service" and \$441,508.80 for "expenses of military naval service," computing, as Secretary Hamilton said, "the army and navy establishments on the scale of an Indian and Algerine war." The upward curve of Federal costs had begun, although in that year, really a war year, the per capita cost was only about \$1.50.

By 1825, when the population of the United States was a little over 10,000,000, the per capita cost was about \$3. But it did not increase greatly thereafter for nearly a century. In 1890 Federal expenditures were \$291,000,000, or \$4.61 per capita, and the expenses of all government, Federal, State and local, were \$855,000,000, or \$13.56 per capita. By 1913 the Federal expenses had increased to \$692,000,000, or \$7.17 for each individual, while the cost of all government for that year was \$2,919,000,000, a per capita cost of \$30.24. The sharp-

est upward curve in the cost of government came during the next decade, because of the World War. For 1923 expenditures by the Federal Government were \$3,649,000,000, or a per capita tax of \$32.97, while the expenditures of Federal, State and local governments combined were \$10,145,000,000, or a per capita cost of \$91.67. In 1928, according to the National Industrial Conference Board, this figure had risen to \$105.20.

The per capita governmental expenditures of representative States for the years 1916, 1919, 1924 and 1928 illustrate clearly how the expense of State Government has gone up:

	1916.	1919.	1924.	1928.
Massachusetts.....	\$7.23	\$8.57	\$10.80	\$10.33
Pennsylvania.....	4.06	5.17	8.33	10.39
Michigan.....	5.94	9.05	10.47	12.61
Iowa.....	4.14	5.44	12.81	9.52
California.....	12.10	11.24	15.66	13.86
Kentucky.....	3.67	4.86	6.04	8.24
Virginia.....	4.06	4.64	9.01	10.37
Georgia.....	2.27	2.80	4.80	5.75
Texas.....	3.82	6.24	7.97	12.57
Arizona.....	11.37	19.25	14.01	16.67

The average per capita expenditure for all the States was \$4.99 in 1916, \$6.05 in 1919, \$9.60 in 1924 and \$10.99 in 1928. In 1919 State expenditures were 43 per cent greater than in 1915; for 1924, 165 per cent higher, and for 1928, 219 per cent higher. The curve is still upward. Federal appropriations for 1931 and 1932 are approximately \$10,250,000,000, or a little more than \$5,000,000,000 a year. With a population of 120,000,000, this calls for a per capita expenditure of about \$42.50. If we make allowance for postoffice revenues and receipts from other than tax sources, such as collections on the foreign debt, Panama Canal tolls, and so forth, amounting to something like \$1,000,000,000 a year, we shall still have a per capita expenditure that must be met with money derived from taxation of between \$33 and \$35. Federal Government costs are thus still mounting thirteen years after the World War, although our national debt has been reduced by about \$9,000,000,000 from its war peak, with a corresponding lessening of the government's annual interest charge.

Clearly, the heavy expenditures and the mounting deficit are giving the administration much concern. After a meeting of the President with his Cabinet on April 24, Mr. Hoover announced that Federal expenditures for the fiscal year 1932 would be about \$315,000,000 below those of 1931. It is not easy to determine on what the President bases this optimism. Appropriations for that fiscal year have already been made. Records in the office of the Clerk of the House Committee on Appropriations show them to be only \$147,300,000 under the appropriations for the current fiscal year. This is less than one-half the decrease in expenditures the President forecasts. There will be deficiency appropriations by Congress next December, as is invariably the case, and unless they are very much smaller than in the past they will carry the total of appropriations for the fiscal year up to and possibly beyond the total for 1931. Neither is there any solid basis for hope that the executive departments will spend less than is appropriated for them, because experience shows that, generally speaking, these departments come back to Congress and ask for additional money through deficiency appropriation bills far more often than they turn back any of the sums originally appropriated.

State and local government expenditures have kept pace with our national disbursements. For a good many years Federal expenditures have represented about one-third of the total needed for all governmental purposes, so that if the State and local expenditures continue to keep pace with those of the Federal Government, the cost of all government in the United States will be in excess of \$30,000,000,000 for the next two years, or more than \$15,000,000,000 for each year. This represents a per capita cost of about \$125, or \$625 for the average family of five.

Where is all this money to come

from? We are confronted with a Federal deficit which, on July 1, will exceed \$750,000,000. Should there be any substantial improvement in business conditions, revenue collections will, of course, increase, but at this time the government is running behind at the rate of more than \$2,000,000 daily, notwithstanding the fact that the last year's 1 per cent reduction in the income-tax rate has been abandoned.

The plight of many States is even worse than that of the Federal Government. Recently the joint finance committee of one State Legislature reduced the Governor's budget recommendations by about \$3,000,000. Yet there was still a difference of over \$5,000,000 between the amount of revenue in sight and the sum considered necessary to perform the imperative functions of State Government. This State happened to be one of the twenty-one hit by the severe drought of last Summer, with the result that many of its farmers are in distress. It has suffered seriously from a large number of bank failures, from a general slackening in industry, and unemployment—a predicament typical of that in many States.

It was the mounting cost of National Government, and therefore the need for additional revenue, that influenced the adoption of the Federal income tax amendment and has since caused thirteen States to impose an income tax. Other States are considering doing so at this time. It was the extensive building of public highways that led to the imposition of a gasoline tax by the respective States and the District of Columbia. In some States the amount of the gasoline levy is now as high as 5 and even 6 cents per gallon, a third or more of the retail price of the gasoline. This high tax is now tending, in some cases, to reduce consumption and therefore has passed the point at which it is capable of producing a maximum of revenue.

Indirect taxation must furnish

about one-fifth of the \$30,000,000,000 budget for the next two years. In this category is the tariff. Economists do not agree as to the ultimate cost of the tariff to the consuming public, as represented in increased prices they must pay for commodities. The Federal Government collected \$587,000,000 at the custom houses last year. But the cost of these duties to the consuming public is many times that sum. Most economists agree that it is not less than ten times the amount of duty which the government collects, while one well-known economist recently estimated the cost at \$10,000,000,000 a year. If it were required by law that articles affected by the tariff be labeled to show the purchaser how much of the price is due to the tariff, there would undoubtedly be such general and sharp resentment as to bring about an early and substantial downward revision of the present rates.

Accepting the most conservative estimates, we must add not less than \$5,000,000,000 a year in indirect tax burden to the \$15,000,000,000 of direct burden, making \$20,000,000,000 which the people will pay this year and again next year for the support of government. This is more than \$165 for each individual, or about \$825 a year for a family of five.

One of the important contributing causes of the growing cost of Federal Government is the centralization of power at Washington and the increasing tendency of every section of the country to look to Washington for assistance in carrying forward projects

of a State or local character. Since indirect taxes are not felt so acutely we are not so much concerned about Federal appropriations as we are about State and local expenditures, which are nearer home, and the money for which comes almost entirely from direct levies. It is an almost irresistible temptation to the States to appropriate money for a project if it will receive a like amount from the Federal Treasury. The result is that both State and Federal expenditures are increased, although in the end the people themselves must pay both tax bills. Many of these Federal-aid projects would never be undertaken if there were no assurance that for every dollar a State provided the Federal Government would also appropriate a dollar.

The cost of government has grown so heavy and is such a burden that the time has come for those charged with the responsibility of voting appropriations carefully to scrutinize every proposal involving an expenditure of public money. Especially for the next few years, every proposal to enlarge upon some old or engage in some new project should be required to prove not merely that it will do some good but that it is absolutely essential to the best interests of the country. In short, the time has arrived to lay down and strictly observe the rule that the taxpayer shall receive the benefit of every doubt. Only by unflinchingly adhering to such a rule can we practice that economy so necessary, especially at this time.

A New Era in the Antipodes

By N. E. COAD

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IN the Pacific as elsewhere the old age of romance like the age of chivalry has gone. Gone are the explorers, adventurers, beachcombers and pirates who made the world ring with their amazing exploits. They have been succeeded by statesmen, scientists, business men and aviators—romantics of another type.

Though there remains no undiscovered country in the Pacific, there is still the romance that surrounds the development of new countries, the government of backward native races, the future relationships of the Oriental and Occidental, and new means of communication such as the airplane and wireless. Indeed, the present situation bristles with problems, possibilities and perils, and is entirely unprecedented in the history of the world.

Consider for instance what is going on in the South Seas. There we find two new, lusty British nations—Australia and New Zealand—firmly determined to evolve a type of civilization in which everybody will enjoy a high standard of material comfort. In pursuing this aim they have been forced to restrict the entry of Asiatics and to adopt the policy so familiar in all the English-speaking lands of this great ocean. But close at hand are those fascinating Pacific islands with their lovely scenery, interesting native races and Asiatic laborers, and this Pacific island world is fast becoming Orientalized—is, in short, becoming an offshoot of Asia. White people cannot work there—it is too hot; the na-

tives cannot work either—they have no need to. And so Asiatics must come to the rescue if the rich resources in sugar, copra, cotton, rubber and coffee are to be developed.

Consider the case of Fiji. That alluring group of twenty-five islands in the Melanesian Archipelago is strategically situated on the trade routes between America and the Southern British dominions. They are very fertile, producing in abundance sugar, copra, fruit, with conditions favorable for rubber, cotton and dairy products. But these islands bid fair to become an Indian colony some day. Their resources are now being developed by Indians who for the last fifty years have been arriving at the rate of about 2,000 a year and who now number 63,000 all told. They come in as free laborers, and when their term has expired they are encouraged by grants of land from the sugar refining company to stay on. Many elect to do so, and many have now become plantation owners. Unlike the Chinese laborers, they do not assimilate very easily with the native race.

In the belt of French islands to the west (the Society, the Marquesas, the Paumotu groups) the same process is at work. Into these islands France has been pouring Asiatics at the rate of about 5,000 a year. Already in the Society Islands a hybrid race is in existence, the predominating type being Chinese half-castes, a crossing of races that seems to yield a good product both psychologically and physically. These islands export copra



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and vanilla; but with an adequate labor supply they could produce cotton, sugar, tobacco and coffee.

Similarly in Western Samoa. Chinese are being brought in to work the government plantations, and the half-caste population now numbers 2,200. The practice of importing Asiatic laborers has produced results its originators never contemplated.

The situation seems ominous from the standpoint of Australia and New Zealand. Will these dominions always be able to enforce their White Policy with these avalanches of Asiatics coming every year nearer their doors? So far acts of Parliament have kept them out. In the meanwhile New Zealand, with a population of 1,250,000, only 2 per cent of which are aliens, rejoices in the reputation of having the purest Anglo-Saxon race in the world. Australia, in spite of its large size, is in like condition. But her case is even more striking, for just to the north of her lie the 500,000,000 of China and Japan, at present peacefully inclined toward her; and nearer her shores, just north of Rabaul in New Guinea, the Japanese and Aus-

tralian realms actually touch. Yet with these hordes of Asiatics swarming into the mid-Pacific these southern dominions still remain Anglo-Saxon, underpopulated and isolated.

In the neighboring Pacific islands, where the three great divisions of mankind—the Oriental, the Occidental and the Brown—meet and mingle, the question is, will fusion take place, and will there spring up a new division of mankind in this new island world? Some say that this is bound to happen and that it will be a good thing, for the crossing of races is advantageous both physically and psychologically for the human species.

With the exception of the New Hebrides question, the political situation seems settled permanently. France rules in New Caledonia and in the belt of islands to the west; America has Eastern Samoa; the Dutch, Western New Guinea. All the other southern territories are British, Western Samoa and Northeastern New Guinea being under mandates. To the north Japan controls the islands fringing the shores of Asia and the Carolines. In mid-Pacific she rules the Marshalls

and Marianas under a mandate. America controls Hawaii, Guam and the Philippines; and the Dutch, the East Indies.

Looking back to the eighteenth and nineteenth centuries we find that events in the Pacific were then determined by what was going on in the Atlantic. For instance, European colonization in the South Seas began with Great Britain's settlement of Australia in 1788, which was brought about by the loss of her American colonies on the Atlantic. At that time so engrossed were the other European nations in their affairs that Great Britain could have annexed the whole of the South Pacific, and none of them would have said her nay. But it was the day of Little Englanders. Great Britain did not want any new colonies and she let the opportunity slip, except that under a great deal of pressure she annexed New Zealand in 1840.

In the nineteenth century, things having settled down in Europe, France and Germany appeared, eager for commerce and colonies. Great Britain had forestalled them in Australia and New Zealand, but there still remained a rich unappropriated Pacific island world. For this there ensued a mild kind of scramble among these three powers, Great Britain egged on by New Zealand and Australia being a most reluctant participant. Germany turned out to be her more formidable rival.

The history of these island annexations falls into three well-defined phases. Early in the nineteenth century Great Britain reluctantly acquired Fiji and Southeast New Guinea. France under Louis Philippe, the Citizen King, and the Emperor Louis Napoleon revived her dreams of empire and annexed that aforementioned belt of islands to the west—the Society, Marquesas and Paumotu groups. Germany, under Bismarck, acquired, at the instigation of her traders and merchants, Northeast New Guinea and the Bismarck Archipelago to the east. Subsequently, by

the Anglo-German convention of 1886, Great Britain and Germany, by agreement, parceled out the remaining islands between themselves. This arrangement left Great Britain in possession of her previous acquisitions. Further, by the Franco-German agreement of 1885 France and Germany agreed to recognize each other's possessions. Then Germany took the Marshall Islands in the north. She turned the Spanish-American War to good account by purchasing from Spain the last remnants of her vast Pacific empire—the Carolines and Mariana groups. Subsequently, by the Anglo-German agreement of 1899, she obtained Western Samoa from Great Britain in exchange for Tonga.

These foreign annexations were extremely unpopular in Australia and New Zealand. They feared and hated foreign domination so close to their shores. Great Britain's failure to understand their point of view sometimes strained their loyalty almost to breaking point. Feeling in these colonies ran so high for a time that public men actually declared that it might be necessary to look to the United States instead of Great Britain for support. However, as it turned out no such drastic action was necessary, for the tide was turning in Great Britain in favor of the imperialistic ambitions of Australia and New Zealand. In 1900 New Zealand was given authority to include within her boundaries the Cook Islands and other unappropriated groups near her shores, and she is now the headquarters of a little Pacific island group of her own.

A third phase began with the opening of the Panama Canal and the World War. When the curtain rose after the treaty of Versailles a new grouping of powers had taken place, Japan being substituted for Germany in the island groups north of the Equator, while Australia and New Zealand took her place in the south. This assignment of Japan to the mid-Pacific is an interesting feature of the peace settlement, for it placed her in a

strategic position on the trade routes and it has brought her 2,000 miles nearer Australia and New Zealand. This disposition of territory was anything but popular among the English-speaking nations of the Pacific.

Thus once more events in the Atlantic settled the fate of the Pacific and created new relationships among three great powers—America, Great Britain, Japan. In the south, Australia and New Zealand have, as a result, come into a legacy of problems which will require much effort to solve. The government of Western Samoa and Northeastern New Guinea is, in the terms of the mandate, a sacred trust for civilization which will tax their resources for some time to come. Thus have these dominions been brought face to face with those most difficult of all Pacific problems—the labor problem in tropical countries and the just and humane government of backward races.

Australia governs Eastern New Guinea, which comprises Papua in the south and the mandated territory in the north. The area of Papua is about 87,786 square miles, which is about 28 per cent of the whole island. The European population is about 1,452, and the natives number 275,000. The exports are copper, copra and rubber. Conditions are favorable for the production of cotton. Lately the discovery of gold has been reported, and there is a strong suspicion that rich oil fields exist as well.

The Australian mandated territory is known as New Guinea. The population includes 1,776 Europeans, 1,500 Asiatics and 257,550 natives. Included in the territory is the Bismarck Archipelago, which consists of the islands of New Britain, New Ireland, New Hanover, the Admiralty Islands, the Solomons, Bougainville and Buka. The total area is 91,000 square miles, of which 70,000 are on the mainland. Copra is practically the only export.

Although Australia has made mistakes in governing her mandated territory, she is doing her best to rule in

the interests of the natives. She has established an excellent medical service, at the head of which is a specialist in tropical medicine. She has built a hospital and appointed doctors and sanitary inspectors for work among the natives. Special efforts are made to combat malaria and a disease called the yaws. Schools have been established in which the natives receive instruction along the lines of their abilities, mainly in handicrafts and practical agriculture. English is part of the curriculum.

Perhaps the most interesting feature of Australian rule is the earnest endeavor to understand the native psychology. To this end a chair of anthropology has been established at Sydney University, while the Commonwealth Government has appointed an anthropologist who visits the outstations of the territory, collects useful information at first hand, and discusses with officials the problems connected with their work.

In the past the natives practiced the gentle arts of cannibalism and headhunting, and they are all very superstitious. Those near the coast in the old recruiting days suffered horrible cruelties at the hands of the white man. Large numbers were carried off to work in the plantations of Queensland. The civilized man's past record in New Guinea will by no means bear strict investigation, but such practices would not now be tolerated for a day.

Another of Australia's dependencies is Norfolk Island, off the east coast of Australia, about five miles long and three miles broad. It was first discovered by Captain Cook and has a beautiful climate, lovely scenery and rich soil. It exports coffee and tropical fruit, and is capable of further development as a tourist resort.

Of all the rich islands in the Pacific none are more valuable than the Solomon Islands. But, in spite of their great potential wealth, in spite of the fact that they were among the first to be discovered, they are in this year of grace practically unknown and

their rich resources undeveloped. The seven largest cover an area of 12,000 square miles. Their soil is fertile, being capable of producing large crops of copra, sugar cane, bananas, rubber, cocoa, coffee and tobacco. The climate is less trying than that of other islands, and they are never visited by hurricanes. The Solomon Islands are, however, one of the saddest places in the Pacific. There the record of the white man's dealings with backward native races is about as black as it can be painted. In 1880 the scandalous recruiting traffic was in full swing. Natives were kidnapped by the hundreds for work in the sugar plantations of Queensland and Fiji. When the group came under British protection these horrible practices were ended, but not before terrible havoc had been wrought among the native population.

Turning to Western Samoa, we find that from the earliest days of her history New Zealand has hankered after these islands. Now that she is in occupation she finds the task of government not quite so easy as she anticipated. She has found that, though the Samoans are delightful people in their way, they will never develop Samoa. Nevertheless, regarding them in the spirit of the mandate as a sacred trust for civilization, New Zealand has enabled their number to increase, so that the native population is now 39,000. New Zealand, moreover, has left them in undisturbed possession of their land, is educating them, providing them with good medical and nursing services and is endeavoring in every way possible to protect them from outside exploitation. Still, they make very poor workers, and Chinese have been imported as free laborers from Canton to work in the government plantations. There are 946 of them all told, and after three years they are repatriated unless they express a desire to remain longer. In no case, however, is any Chinese permitted to stay longer than six years.

If New Zealand wishes to develop

Western Samoa to the fullest extent she will certainly be faced with the labor problem. At present the exports are copra and cacao—chiefly copra—but conditions are favorable for the production of rubber, cotton and fruit. Trade is carried on chiefly with Great Britain, the United States and New Zealand. She governs through an administrator assisted by a Legislative Council consisting of officials in the Samoan Civil Service and one or two nominated members. The cooperation of the natives is secured through a native association called the Fono (meeting) of the Faipules, a faipule being a native local administrator paid by the government. The functions of this Fono are purely advisory. Another point of contact with the natives is secured through what is known as the pulenu'u or head man of a village or group of villages, who is paid by the government to supervise the cleanliness of the villages, to collect taxes and to preside over meetings of village chiefs.

At present, however, the most prominent feature about Western Samoa is the native unrest. New Zealand is ready to admit that she has made mistakes, but these mistakes have hurt the New Zealand taxpayers, not the Samoans. Indeed, whichever way one looks at it, it is clear that the interests of the Samoans have been conserved in every way possible; too much so, perhaps, for the finding of the Permanent Mandates Commission of the League of Nations was that the ex-administrator, Sir George Richardson, had erred on the side of leniency.

One of the causes of the trouble was the mentality of the natives. There is a good deal of the politician about the Samoan, and he likes being "agin the government." Having little to do, he loves to foregather at native meetings and talk for hours, sometimes for days at a time. He finds plenty to talk about, for out of a population of 39,000 natives there are no fewer than 3,000 chiefs, each of whom is anxious

to increase his mana or prestige at the expense of the others.

Another disturbing element is "the beach." This consists of about 2,200 half-castes, descendants of the old beachcombers. Although they have strong blood relationships and great influence with the natives, they are classed as whites and given all the rights and privileges of whites. This class, though friendly to the administration at first, became seriously offended by the total prohibition of liquor which New Zealand, in carrying out the mandate, has been obliged to enforce on all and sundry. "The beach" has played no small part in stirring up the natives against the administration.

Another grievance was connected with the government marketing of copra, which it carried out in a small way, only 400 out of 30,000 tons being thus handled. But certain wealthy traders took alarm. If the practice were extended their pockets would be seriously affected. They would have to pay more for the native copra. So they fomented trouble, the result of which was the formation of a hostile native organization called the Mau (which in Samoan means movement or opinion) whose aim was to hamper and discredit the administration in every way possible. The natives were, for example, instigated to refuse to pay taxes or to carry out the health measures which the administration has devised solely in their own interests. Meanwhile, the campaign was carried on at Geneva and in New Zealand, where it became a sport for party politicians.

The natives were at first inclined to regard the dispute more or less in the light of a merry game, but in 1929 feeling began to run high. The trouble centred mainly in the arrest of twenty men who were wanted for criminal offenses. These were protected by the Mau, who refused to give them up. Worse even, they openly paraded them in processions of welcome to certain chiefs who had returned from

New Zealand. One of these was Tamasese, a young chief who had been undergoing a short term of imprisonment in New Zealand; the others were older chiefs who had come back bent on defiance to the British authorities. One of these "wanted" gentlemen actually led the procession as a member of the band—insolently secure in the protection of the Mau. Three unarmed men issued from the police station to arrest them, and in the riot thus provoked one of the European police and eleven natives, including the young chief Tamasese, were killed and others on both sides seriously injured. Under the conciliatory tactics of the administration the trouble soon died down. The Mau consented eventually to meet the administration and give up the men who had been evading arrest. A coroner, a New Zealand magistrate, who investigated the circumstances of the affray, pronounced the police innocent of hasty conduct. Except for opening rifle fire, they were judged to have exhibited remarkable restraint. As the months went by, the Mau weakened and dispersed. Its leaders are now cooperating with the government in a friendly way, and recently a new administrator has been appointed.

More important than these superficial political agitations are the social and economic forces that are slowly changing the lives of the Samoan people, especially in Apia, the chief town of the group. The young Samoan about town, for instance, is refusing to be tattooed after the manner of his fathers. He is beginning to criticize the communal practices which have been the vogue for years. Education, the use of money and the influence of an increasing class of half-castes are slowly but surely beginning to do their work. The Samoan is bound to change. In the meanwhile, New Zealand is showing more concern for his development than for the exploitation of the rich resources of the islands.

WELLINGTON, New Zealand.

The Modern Mafia

By ALBERT BUSHNELL HART

Professor Emeritus, Harvard University

IN the records of the political history of nations, it appears that there was once a group of rich and powerful cities famed for their wealth, literature, art, music and architecture which somehow permitted themselves to become the prey of bandits. This unhappy condition began with a class of criminals who were somehow released from jail. They carried on what amounted to a business in smuggling and blackmail, and often they were hand in hand with the police. They went so far as to insist that they should be employed by merchants to superintend the loading and unloading of cargoes and the transportation of goods. Some of them received appointments in the police service and were assigned the task of detecting the crimes of their intimate friends. Sometimes they killed each other and that led to investigation and prosecutions, occasionally to convictions. Occasionally libel suits revealed facts as to "the organization." These scoundrels took part in and often decided elections. Government inquiries were held. Only a particularly desperate murder would be followed by prosecution of all the participants.

Another branch of the same system arose in the cities and country districts. A powerful organization controlled the business of the city, though sometimes weakened by struggles for mastery between two factions of the criminals. They pledged themselves never to apply for justice to the authorities and never to assist in the detection of crime. They even went so

far as to murder Chiefs of Police. One of their specialties was to kidnap rich men and hold them for ransom. If the ransom was not forthcoming, neither was the victim. In short, in those unhappy cities the expenditure of public funds was in the hands of thieves. Life and property were not safe even for very rich and powerful men and their families. The only remedy was to root out the bandits by relentless investigations, prosecutions and convictions which were not followed by pardons.

These details are not drawn from American newspapers, but are simple statements in modern terms of two criminal organizations which for more than a hundred years afflicted Italy. Northern Italy, the home of small rural proprietors and of factory hands, has never suffered from these established criminals and conspiracies. Southern Italy and Sicily, regions of large estates with a peasant population long deprived of any political rights, were under the Bourbon Kings one of the worst governed parts of the world. The cities were full of miserably poor people and the open country was even worse. Here arose the famous Camorra, especially in Naples. It existed in parts of Italy till the present untitled sovereign came into power. Alongside was the Mafia, an organization of violent criminals which added to a regular system of blackmail the practice of abducting wealthy people and holding them for a ransom under threat of death. Dumas has made this practice one of the most entertaining episodes in *The*

Count of Monte Cristo. The "Mafiusi" in 1891 made themselves known in New Orleans and so paralyzed the fountains of justice in Louisiana that when certain Italians had been acquitted (perhaps because the jury were afraid of being killed) a mob, composed as usual of our "best" citizens, broke into the jail and exterminated the gang.

The excuse for Italy was the effect of dividing the country into small and hostile units, the misery of the city and country population, the extortions of the great, and the long period of civil wars which did not end till the Garibaldi movement; not until then was there a national government which was reasonably honest. Later, Crispi, the vigorous Italian statesman, fought the Mafia in Naples and Sicily and finally crushed it.

What is the excuse of the people of the United States who permit the greatest and richest cities of the country—New York, Philadelphia, Chicago, Detroit—and many smaller cities to fall into the hands of criminals? The worst practices of the Camorra and the Mafia have gained ground in the United States in spite of popular government, of universal suffrage, of civic organizations, of Committees of Fifty or a Hundred or a Thousand. We have been accustomed to think of the gang wars as concerning only the gangs. When perfectly respectable young women who do not or cannot pay blackmail to the authorities of the courts are arrested and imprisoned, our cities go back to the worst performances of the Italian brigands of a century ago.

An alarming feature of the revelations of the last few months is that one of the most abominable features of the Mafia is becoming a practice. Every now and then a capitalist disappears. In a few days his family and friends learn that he will be released only when a ransom is paid. Some wealthy men for many years have adopted a practice of going into

strange places only with a bodyguard. The development of automobiles is making this crime of abduction a business, a means of making a livelihood. The practice of kidnapping is combined with the diversion of taking people "for a ride." As always happens under such conditions of breakdown of the ordinary protections of society, the captors of persons whom they mean to bleed and of those who will bleed in another sense are systematizing their business.

No great and rich country in the world is provided with such a weak and childish system of apprehending criminals as the United States. The division of the country into forty-eight States has solved many difficulties of local government, and the country could hardly stagger along if the whole burden of detecting and punishing criminals was subject to the authority of a national Congress. On the other hand, every State is free to set up or to neglect the means for the detection and punishment of crime. Some cities have an effective police system and all of them might if they were willing to pay the price of insisting that everybody who has to do with crime and criminals, judges, superintendents of police, patrolmen, magistrates, wardens of jails and of penitentiaries, should be men of character who have first proved their worth in subordinate posts. Recent investigations, particularly in New York and Chicago, have shown that the criminal courts from the lowest to the highest are subject to determined attempts to control them and to dictate their decisions. The recent rebellions in the prisons of several States are a proof that considerable numbers of convicts are willing to risk their lives in the effort to get out of what they consider a gehenna. What with pardons for the undeserving and badly ventilated and badly managed jails for prisoners who would like to reform, what with the proved lack of training and responsibility and common sense among the

wardens, as shown in the Columbus Penitentiary fire, it is clear that there is no salvation for the community in jail sentences.

The demoralization of courts, even where the judges are men of character and force, is undoubtedly entangled with the effort to enforce prohibition under the national law. Similar difficulties arose in the numerous prohibition States before the Eighteenth Amendment. The inexorable difficulty in the enforcement of prohibition is that both the dealer and the purchaser are practically in a conspiracy to break the law and neither will testify against the other. If I ask a man to set fire to my house and he does it, how is he to be convicted of arson?

The two most effective methods of the Mafia, which by common consent was one of the worst criminal conspiracies of history, were blackmail and seizure for ransom. Recent kidnapping trials in the United States have nearly paralleled the criminal prosecutions in Italy a few decades ago, when criminals had to be shut in an iron cage within the courtroom lest they should murder the judge and jury. They used a gesture perfectly understood by complaining witnesses which, when translated into English,

meant "testify against me and you die."

On the whole the most important invention of those Italian murder gangs which we are now duplicating in the land of the free and the home of the brave is kidnapping. How happy the Italian Mafia would have been had there been placed in its hands such a convenience as a craft which can surmount any wall, steer in any direction, come down in a desert or a forest and wait for the friends to pay the ransom. Experts have pointed out that the helicopter, if perfected to the point where it can rise or alight anywhere in a clear 100-foot square, will become a favorite device for carrying off negotiable bankers and other securities. Science has opened our safes, melted our walls, and now is preparing to fly away with our persons. Whatever the misdeeds of kidnappers and murderers, they at least have built up a system of robbery and murder that works. Not a State in the Union has ever established the obvious system of local police associated with a general State organization which is so effective in England and Continental countries. Apparently we love the Mafia, since we are unwilling to establish any legal machinery that can compete with the American Bandits, Incorporated.

Recent Discoveries in Medicine

By WATSON DAVIS

Managing Editor, Science Service

THROUGH long years of research, scientists have discovered some thirty-seven essentials of human diet, including the growing list of vitamins, amino-acid constituents of protein, metals and other food elements. Not long ago manganese was added to the list, and now Dr. E. V. McCollum of Johns Hopkins University, discoverer of the need of manganese, has added to the list another chemical element, magnesium.

Dr. McCollum is now engaged with his associates in finding what happens when some of the essentials are omitted from diet. The importance of vitamins and of the three food classes, fats, carbohydrates and proteins, has been established. Less is known about the eleven inorganic elements which are included in the dietary essentials, among them the elements magnesium and manganese. In an earlier study, Dr. McCollum and his associate, Miss Elsa Orent, found that absence of manganese affects propagation and rearing of the young, even wiping out such a powerful emotion as maternal solicitude. Convulsive death is found to result from lack of magnesium. More significant than the experimental production of a new dietary deficiency disease is the evidence these studies give of hitherto unsuspected relations between two endocrine gland systems and two inorganic structures. Manganese appears to be related to the pituitary gland and magnesium is connected in some way to the adrenal glands. In spite of the confusing similarity in name, mag-

nesium and manganese are wholly different. Magnesium is a white metal, lighter in weight than aluminum. A small amount of it is a necessary part of the normal diet.

Dr. McCollum and Miss Orent found that eleven days of a diet wholly lacking in this element causes convulsions and death in the majority of rats. On the third day of a magnesium-free diet, white rats developed bright red ears and tails. In fact, wherever the skin showed through the hair it was seen to be very red instead of the usual color. Apparently the outlying blood vessels were wide open, so that all the blood flowed to the ends of the vessels just beneath the skin. On about the tenth day of this diet, never later than the eleventh, the rats behaved very strangely. Ordinarily they pay no attention to what is going on about them and are undisturbed by noise, but after ten days of the diet the slightest noise agitated the rats so greatly that they whirled around two or three times and collapsed in a clonic spasm. Their breathing was disturbed, their eyes protruded, and at the same time the blood rushed away from the vessels just under the skin so that the ears and tails were blanched. The blood rushed to the heart, the small blood vessels contracted, and since the heart could not pump the blood out again it became enormously enlarged. Over four-fifths of the rats, 85 per cent of them, died in this spasm. The remaining 15 per cent lived on indefinitely, some for as long as ninety days, a long period in the life cycle of a rat. When mag-

nesium is omitted from the diet, calcium and phosphorus are drained from the body, so that not enough is left to make an X-ray of the rat's skeleton. This is the only way known to decalcify the body.

The explanation for all this, Dr. McCollum believes, lies in the similarity of relationship between the adrenal glands and magnesium and between the thyroid gland and iodine, or the parathyroid glands and calcium. In the convulsions of parathyroid tetany, the nervous system can be quieted by administration of calcium. The symptoms of magnesium deprivation seem to be exaggerations of the adrenal glands' response to fear or anger.

One of the great problems of modern medicine is the conquest of cancer. Studies of far-reaching significance which may lead to the solution of the cancer problem have been made by Dr. Ellice McDonald, director of cancer research at the University of Pennsylvania Graduate School of Medicine, and his associates, Gladys E. Woodward, Janetta W. Schoonover, Edith G. Fry and Edward G. Torrance. The blood of patients with untreated cancer has been found to be more alkaline than normal. Increased alkalinity seems to be related to the speed with which the disease will kill the patient—the greater the alkalinity, the quicker the disease kills. Treatment by X-ray or radium, which may cure or at least retard the disease, affects the alkalinity of the blood. The condition of the blood may be found a means of predicting the course of the disease and the success of treatment. Likewise a new method of treatment may be developed which will be the long-sought specific cure for this dreaded malady.

Cancer is a disease in which cell growth is abnormal. Scientists have been studying the cells microscopically and with moving picture cameras in the hope of finding what makes some cells turn into the wild, cancer cells. It appears from Dr. McDonald's report that the cause of their erratic

growth is to be sought outside the cell in the surrounding tissues and the blood. "The state of the blood in cancer is of great importance because cancer becomes a systemic disease and cancer cells receive their nourishment from and give off their waste products to the blood," Dr. McDonald said. "Therefore it is to be expected that the blood of cancer patients should differ from normal blood."

The average alkalinity of the blood in the twenty-six untreated cancer patients studied was 13 per cent above the normal. "This is very far-reaching in the future study of cancer," Dr. McDonald declared. "In marine eggs, if the balanced sea water is made more alkaline, the rate of division and multiplication is increased, and vice versa. The analogy holds for cancer and the obvious is to attack the disease through the blood or environing fluid, which may have some hope of success." Encouraging as is this statement, it should be clearly understood that a cure for cancer has not yet been discovered. The studies of Dr. McDonald and his associates point the way to a line of attack which seems to be more promising than any of the many already tried.

A new essential to life has been found in the protein of milk, according to an announcement by Dr. W. C. Rose of the University of Illinois in a report to the Federation of American Societies for Experimental Biology. At present the identity of this substance is hidden in the complexity of the brownish, somewhat crystalline powder that Dr. Rose's laboratory records describe as the "active fraction" of casein, the protein contained in milk.

Extensive feeding experiments upon white rats led Dr. Rose and his co-workers, Dr. Ruth H. Ellis, W. Windus and Miss Florence Gatherwood, to the finding of the new life essential. The protein portions of the food given these animals was replaced by highly purified amino-acids, which are known to be the chemical building blocks from

which nature constructs the necessary proteins in food. The twenty known amino-acids were used in the diets of the rats, and if these twenty chemical compounds were all that makes the proteins of natural food satisfactory for growth and maintenance, then Dr. Rose's rats should have grown well and waxed fat. But they did not. Starting the search for the unknown food essential, Dr. Rose added small amounts of casein from milk, gliadin from wheat and gelatin from meat to the rodent menus. Casein, which helped the rats to grow, was split by chemical processes until finally a fraction was found that caused the animals to grow normally when just 5 per cent of it was added to their purified amino-acid meals. This fraction is obtained under appropriate conditions from the casein by butyl alcohol extraction.

Dr. Rose cannot yet assign his hitherto unrecognized food factor to a proper place among the vital food essentials, such as vitamins and amino-acids. More research will be necessary before this can be done. It may prove to be one of the amino-acids, of which twenty are now known to science. Four out of these twenty—cystine, tryptophane, lysine and histidine—are regarded as absolutely essential to life.

One of the latest problems to vex public health officials is the increasing use of methanol or wood alcohol as an anti-freeze in automobile radiators. A newly developed method of making methanol synthetically has made possible its large-scale production at a lower cost than ethyl or grain alcohol. Substitution of cheap methanol for the more costly ethyl alcohol as anti-freeze mixture for automobile radiators was the next step. Methanol, however, is a poison which may cause blindness and death, and according to some authorities it is nearly as poisonous when its fumes are inhaled or absorbed through the skin as when it is taken by mouth. The United States Bureau of Mines

has been investigating this use of methanol and issued a preliminary report that it could safely be used for an anti-freeze mixture if care was taken to prevent its being mistaken for a beverage. In spite of the Bureau of Mines report, the controversy has continued with considerable vigor.

Some participants in the controversy have gone so far as to question the integrity of the Bureau of Mines, suggesting that its report was influenced by the fact that its study was financed by the methanol industry. At the recent Conference of State and Territorial Health Officers with the United States Public Health Service, Surgeon General Hugh S. Cumming appointed a special committee to consider the subject.

Drs. Walter Bauer, William T. Salter and Joseph C. Aub of the Massachusetts General Hospital have found that the intense pain of lead colic, gallstone colic and ureteral colic can be relieved by slow injection in the vein of calcium chloride, a salt of the metal which is necessary for bone formation. Another step forward in medical science, this time in connection with the puzzling disease, epilepsy, may be taken as a result of a discovery by Dr. N. P. Walker, director of the Milledgeville State Hospital, Georgia, and Dr. G. A. Wheeler of the United States Public Health Service. Drs. Walker and Wheeler found that when epilepsy patients are fed a high fat diet, now considered a beneficial procedure in the treatment of the disease, they developed pellagra, a disease which results from lack of vitamin G in the diet. Treatment for pellagra cleared up that disease, but the epileptic condition became more pronounced. No conclusions can be drawn from these observations, and it is not suggested by Drs. Walker and Wheeler that pellagra be used to treat epilepsy, as malaria is used for treating paresis. However, their study points the way for further research on epilepsy which may yield a final solution of the problem.

Current History in Cartoons



IS THE DAM CRUMBLING?

An engineering problem for President Hoover

—Cincinnati Post



THE BIG LEAK

Local Government costs equal 54 per cent of all government expenditures

—Indianapolis News



MR. RASKOB'S PREDICAMENT

Can he reconcile two difficult ladies?

—Adams Service



The going won't be easy with these stilts
—The New York Times



THE HAUNTED HOUSE
—New York Herald Tribune



CHICAGO'S CIRCUS PACKS UP
—St. Louis Post-Dispatch



SPRINGTIME IN EUROPE

—*Evening Standard, London*



FRANCE AND RUSSIA: "HEY, SOMEBODY STOP THESE TWO FROM GETTING TOGETHER!"

—*Columbus Dispatch*



SUSPICIOUS TENDERNESS
German industrialists visit Russia
—Kladderadatsch, Berlin



THE RIVAL CONFECTIONERS
M. Briand: "I say, this was my idea!"
Dr. Bruening: "Possibly, but I got here first"
—Punch, London



In America: "Germany was not entirely responsible for the war"



In Italy: "The treaty must be revised"



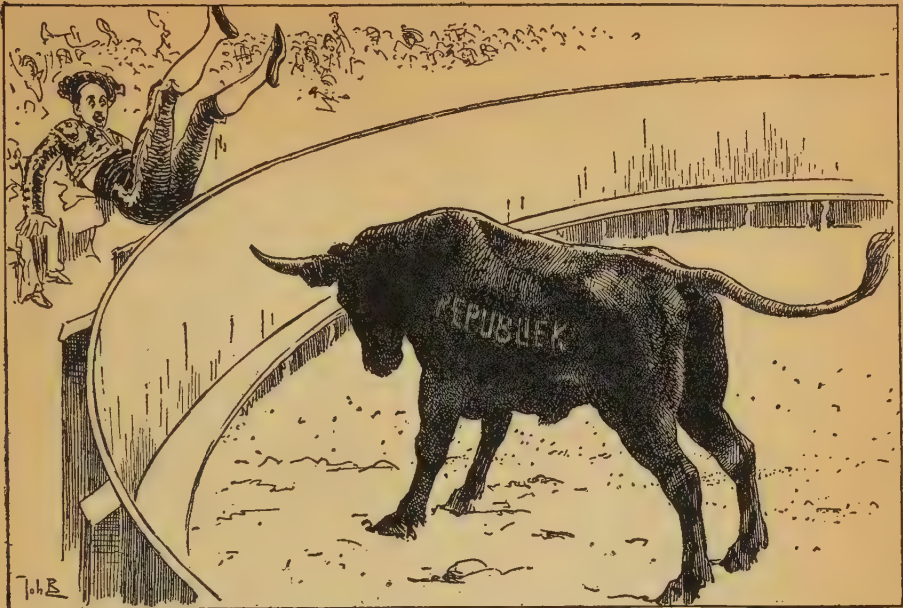
In England: "Germany cannot possibly pay her reparations"



Germany at the League: "I am not entirely responsible for the war. The treaty must be revised and I cannot pay reparations"



All: "Not another word or . . ."
—Kladderadatsch, Berlin



KING ALFONSO "ABDICATES"

—De Groene Amsterdammer

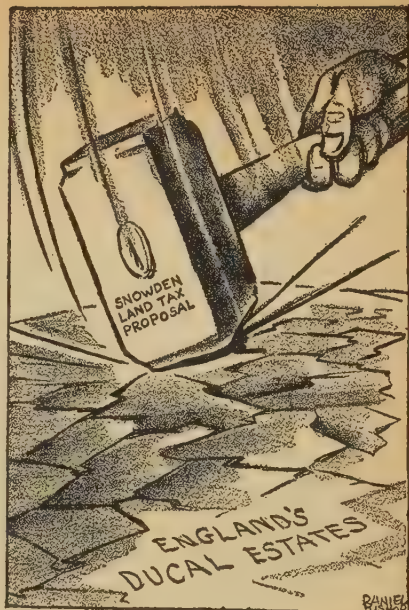


THE LAST SALUTE
Alfonso joins four other ex-kings

—Glasgow Evening Times



Most of it goes to the dogs under the table
—New York Herald Tribune



CRACKING UP
Mr. Snowden's land-tax proposal
—St. Louis Star



First Knight: "Pardon me, sir, you have dropped your glove"
Second Knight: "Pardon me, I threw it"

—Daily Express, London

A Month's World History

International Naval Situation

A DISAGREEMENT, as yet unsolved, has arisen in regard to the correct interpretation of the Anglo-Franco-Italian naval accord, which had been announced with so much hope and enthusiasm on March 11. When the technical experts assembled in London in order to examine the draft treaty, for the first time it was disclosed that France claimed the right to commence the replacement of 66,000 tons of over-age cruisers before the end of 1936, when the treaty was to come to an end. The rights of the parties depend upon three agreements: The Washington Treaty, the London Naval Treaty and the accord of March 1, 1931. The texts of these instruments, however, are ambiguous with respect to the matter at issue. Nevertheless, the French stand seems to have come as a complete surprise to both Italian and British experts. Italy insisted that she had understood that France would carry out no replacement construction in the years succeeding 1933, that the decision on new construction would be left to the 1936 conference. She complained that to grant France's contention would permit her to construct 44,000 tons a year instead of the 23,000 envisaged by the treaty, thus giving to France, immediately af-

By JOHN B. WHITTON

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ter the termination of the accord, a material advantage in new construction. France, on the other hand, contended that if she suspended construction during the three years before 1936 her superiority over Italy would consist largely of old ships. According to the *Journal des Débats*, "if France ceded this point and adopted the Anglo-Italian interpretation, by 1936 she would have reached something like parity with Italy, that is to say, she would be in inferior strength in the Mediterranean."

Great Britain's stand was similar to that maintained by Italy. Considerable resentment against France was manifested in the British press. According to the general opinion, France had modified her attitude since the announcement of the accord of March 1 and this modification was due to resentment over the proposed Austro-German customs union. It was suggested that France was raising obstacles in order to be in a position to bargain her acceptance of that treaty for support of the customs union which she now opposes and that M. Briand's stand for disarmament and his liberal attitude toward movements for peace were bitterly opposed not only by the Nationalists but by certain members of the Cabinet itself.

Apparently the announcement of the customs union had strengthened the hands of these less-liberal members of the government and had rendered the position of M. Briand extremely difficult, so much so, in fact, that his approval of the naval accord had been overridden.

After the breaking of the storm caused by the new French stand, a lull in the negotiations ensued. The experts found it necessary to consult with their respective governments. Finally, on April 21, M. Massigli, France's chief delegate, left for London with instructions to uphold his country's contentions, but he was empowered to make certain concessions. On April 22 a note containing an offer of compromise was handed to the British Foreign Office by the French Ambassador, M. de Fleuriau. It was reported that the only important concession proposed by France was an offer to postpone the commencement of the disputed replacement construction from December, 1934, to June, 1935. Apparently this was regarded by the other two powers as but small consolation. The French insisted that if they were to preserve their actual superiority, now enjoyed in new and old vessels, they must be permitted to lay down, as from June 30, 1935, at the latest, replacements to the extent of 60,000 tons in ships which will become obsolete subsequent to the date of the expiration of the treaty.

Mr. Henderson made heroic efforts to find a compromise acceptable to all parties. His ardor can be understood, for, as he himself declared on April 24 at a dinner in London, failure of the present naval negotiations would impair the value of the London Treaty and jeopardize the complete success of the general disarmament conference next February. Mr. Henderson's efforts to effect a compromise found expression in the British note of April 25, in which the British Government rejected the French proposals, but suggested that the French accept a date some time during 1936 for the

commencement of the construction in question; also, that the amount of tonnage to be undertaken by France should be expressly stipulated.

On May 4 the Italians followed suit. In a formal note delivered on that date to the French Foreign Office, the Italians reiterated their stand that the French proposal, if accepted, would constitute an alteration in the original understanding; that it would give France a superiority wholly contrary to the original agreement. The Italians also pointed out that the proviso added to the March 1 agreement and cited by the French in support of their stand had been added after the negotiators had left Rome and had never received the approval of Italy.

It came as somewhat of a surprise that the Italian note was even firmer than the British. Italy, because of her unsatisfactory financial condition, was known to desire an end to the Franco-Italian naval race and thus was expected to consider any compromise proposal in a very conciliatory spirit. The only concession which she appears to have made was to approve the British suggestion for a re-examination of replacement tonnage needs at a conference in 1935, yet stipulating that any replacement approved for France must also be approved for Italy.

On May 7 the naval experts of France, Italy and Great Britain met at the British Foreign Office and again exchanged views on the problem. The three governments expressed a desire to overcome the difficulties and agreed to continue oral exchanges toward this end.

THE INTERNATIONAL SUGAR ACCORD

After over nine months of negotiation the representatives of the seven chief sugar exporting nations signed a five-year contract in Brussels on May 9. A final obstacle—a difference between Java and Cuba over the price issue—was successfully

overcome. Thus was taken a most hopeful and significant step toward solving the sugar question, and the way was paved for similar efforts to meet problems arising out of the overproduction of wheat, coal or oil. Great credit is due the tact and persistence of Thomas L. Chadbourne for the success of these important negotiations.

The general object of the Chadbourne plan is to restore a balance between production and consumption of sugar, and thus bring a measure of stability to one of the most depressed of the world's commodities. This goal is to be attained through the control of production and exportation for a period of five years. The execution of this "five-year plan" will be directed by an International Sugar Council composed of twenty-one members, or three from each signatory power. Votes on the council, however, will be distributed in proportion to the importance of each country as a sugar-producing nation. Efforts will be made to obtain the adherence of the three non-participating exporting countries—Russia, the Dominican Republic and Peru.

According to the agreement, each signatory State is to be granted a certain quota for sugar exportation. When the world price of sugar reaches 2 cents a pound—it is now 1.30 cents—a 5 per cent increase in the various agreed quotas shall be applied automatically by the council. When sugar touches $2\frac{1}{4}$ cents, the council may release a further $2\frac{1}{2}$ per cent of the reserve stocks. When sugar reaches $2\frac{1}{2}$ cents, a further 5 per cent will be allowed to flow, provided that the option already referred to has not been exercised. If the option has been exercised, then only a $2\frac{1}{2}$ per cent increase will be obligatory. If the price rises about $2\frac{1}{2}$ cents, further stocks may be released in order to discourage overproduction.

The seat of the council will be at The Hague. The post of chairman and chief executive officer has been of-

ferred to Francis E. Powell, chairman of the Anglo-American Oil Company.

INTERNATIONAL FINANCE

World banks, old and new, occupied an important place among the international events of the month. Most encouraging of all were the continued good reports of the Bank for International Settlements. The statement for April showed assets and liabilities balanced at \$373,726,437, a gain of about \$8,000,000 for the month. Its profits for 1930-31 were \$2,500,000, which is equivalent to 12 per cent of its paid-up capital. On April 20 the bank decided to subscribe for a portion of the bonds issued by the new International Mortgage Bank of Amsterdam. It had already given its support to the new Basle International Mortgage Bank. Although the amount of its contribution had been small, the officials of the World Bank were pleased with its beneficial results, for it had led the Basle institution to increase its issue from \$4,000,000 to \$5,000,000.

Financial circles throughout the world took great interest in the visit which Montagu Norman, Governor of the Bank of England, made during the past month to the United States. Although the visit was cloaked in considerable mystery, it now appears that Mr. Norman sought support in America for the so-called Norman plan for a great world bank to finance long-term credits. According to the first announcement, the bank was to be capitalized at \$500,000,000, and was to be supported by the central banking institutions together with the World Bank. Its function would be the granting of long-term credits to governments in Eastern Europe and South America. This would be done by lending the proceeds from bonds which the new bank would issue in its own name. It was felt that in the present grave crisis such credits would have a beneficial effect in restoring trade and confidence.

In both France and America the Norman plan apparently received a

cold reception because it was feared that the main beneficiaries of the contemplated loans would be those countries in which the British already had heavy investments to protect. It was also feared that France and America, although called upon for the heaviest contributions, would not have in the control over the bank a share commensurate with their responsibilities. Political reasons also were alleged to explain the attitude of the two countries. Opposition from America was to be expected, it was said, for thus far the policy of the present administration has been to avoid international commitments. Our government is convinced that the United States is fully capable of restoring its prosperity through its own independent action. France, it was explained, believed that the political atmosphere was not propitious for such a movement—that the political situation in Europe must first give way to a period of greater confidence before a really comprehensive credit scheme could become effective. It was announced on April 23, however, that France was proposing a so-called "League plan" for an international bank by which the governments would guarantee bonds under the auspices of the League of Nations.

The Norman plan, according to reports, was modified after its original proposals had met with disfavor. Instead of the central banks, the support of the great industrial corporations was now to be sought, in which was termed a "blood transfusion scheme." The business leaders of the world would be asked to pool their knowledge and resources in order to extend long-term loans to those parts of the world peculiarly in need of funds. Those concerns which contributed funds to be loaned would automatically become beneficiaries of the plan through the increase of their exports to the borrowing countries. The solvency of borrowers would be guaranteed through the cooperation of the great business organizations of the

world—the leading banks, acceptance houses and giant producing companies. This scheme would supplement the present Bank for International Settlements, which administers little other than short-term funds.

Early in May a special committee of the World Bank was scheduled to meet in Brussels to consider the establishment of a new international medium for meeting the urgent need for international credits. The object of the new institution would be to issue short-term credits to bridge the gap until the time when the world markets should be ready to embark upon extensive long-term credit operations. It was understood that the Norman plan would also be discussed. London, it was reported, might bargain its support for the projected international agricultural credit bank now bound up with Briand's counter move against the Austro-German customs union in return for French support for an international long-term credit bank.

While the Bank of England plans remained mere projects, certain undertakings which tend in the same direction have been put into practical operation. Thus, on April 29 the first loan of the new international mortgage bank, called the *Compagnie Centrale des Prêts Fonciers*, sponsored by French interests, was floated with full success; \$5,600,000 was offered in various capitals of Europe. This bank was formed in October, 1930, in Amsterdam. Its object is to develop countries whose lack of capital is one of the contributing causes of the slow recovery of Europe. Through its operations some of the surplus capital of France and Switzerland may find useful employment in such widely separated countries as Argentina, Canada, Finland, Poland, Yugoslavia, Greece, Morocco and Japan. A similar company was organized at Basle as the International Mortgage Bank; supported in part by the World Bank, its first issue was offered with outstanding success.

The League and the Opium Problem

THE League Secretariat Section on Social Questions and the Opium Traffic has been holding the spotlight at Geneva during the last month. The Permanent Central Opium Board began its sessions on April 13. Herbert L. May, member from the United States, attended, as did members from Italy, France, Germany, Japan, India and Finland. The board examined the drug traffic statistics for the last quarter of 1930, the estimated drug requirements of the various governments for 1931 and the Turkish situation. Turkey, a producer of raw material and an exporter of very large quantities of drugs, is not a League member nor a party to the Geneva convention and has been the crux of the illicit traffic problem. In a public meeting on April 16 the board discussed and approved explanations given by the Dutch and Belgian Governments regarding stocks of coca leaves and opium preparations, as well as explanations from other governments relative to drug consumption in 1929.

In this same public meeting the board approved the draft convention prepared by the advisory committee on traffic in opium and other dangerous drugs for submission to the General Opium Conference in May, and expressed itself as willing, with certain minor reservations, to accept the duties which might be entrusted if the draft convention is adopted by the conference. Presumably these duties will be to receive the estimates from the governments as to their legitimate needs for habit-forming drugs, to check the consistency of the estimates and to help in the revision of legitimate quotas allowed each manufacturing country if such a quota plan is adopted.

By PHILIP C. NASH

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The delegation of the United States to this conference is composed of John K. Caldwell of the State Department as chairman; Harry J. Anslinger, Commissioner of Narcotics; W. L. Treadway, chief of the Bureau of Mental Hygiene, and Sanborn Young, chairman of the California Narcotics Commission. The expert advisers are Lawrence B. Dunham and John K. Farnham of the Bureau of Social Hygiene and Dr. Lyndon E. Small of the University of Virginia.

Vested interests are almost certain to block the progress of the conference if possible. If a single crevice is left in the dam that encloses dangerous drugs within the legitimate traffic then literally tons of illicit poison will flow through any country that does not rigidly enforce the opium treaties already in existence and those that will come from the conference.

SOCIAL WELFARE COMMITTEES

On April 14 the child welfare committee met in its seventh session. Among the important questions discussed were: the age for admission of children to employment (which will be considered by the International labor conference, meeting in May); infant mortality; juvenile courts and auxiliary bodies; women police.

Two reports made by women members of the committee were especially interesting. Mme. Grabinska (Poland) stressed the importance of the "auxiliary services" now existing in twenty-two countries (out of forty-eight reporting to the League on this subject) for the purpose of taking charge of minors on probation and supplying information to the courts in regard to their home life, environment, physical and mental development and so forth. She emphasized the necessity of hav-

ing these "auxiliary services" composed of specially trained and competent persons, and pointed out that no clear distinction can be made between the really delinquent child and the child who is simply neglected. The committee decided to undertake an international study of the operation of the institutions charged with the responsibility of carrying out decisions of the juvenile courts.

The report of Mlle. Chaptal on the question of children in moral and social danger was based upon her inquiry made this year in Denmark, Germany and Italy. She described the systems existing in these countries for the protection of children—the boards of guardianship in Denmark, which take the place of juvenile courts; the National Society for Maternity and Child Welfare in Italy, which works in cooperation with the courts, and in Germany the communal offices, State offices, courts of guardianship and youth hostels. According to Mlle. Chaptal, the German system for dealing with abnormal children is the best in existence. It gives every illegitimate child an official guardian—preferring for this purpose "foster families" rather than institutions—and provides very fully for the physical and educational development of these children.

At its final meeting the committee decided that two draft conventions on assistance to foreign minors and on the enforcement of maintenance obligations abroad, both of which have been before the committee for several years, be submitted to a special committee of experts appointed by interested governments at the invitation of the Council. For the future consideration of the committee a report from the International Society for Crippled Children requested that the League establish an international bureau of information on the care, cure and education of crippled children in every country.

In the latter part of April the tenth annual session of the Traffic in Wo-

men and Children Committee took place. The status of ratification of international conventions relating to traffic in women was examined and it was determined that non-member States, as well as members of the League, should be approached on the subject of ratifications. The committee expressed satisfaction over the increased detail with which governments replied this year to its questionnaire.

Causes of prostitution—inadequacy of women's wages, the breaking up of families through divorce and so forth—were discussed, and a preliminary draft protocol was considered for strengthening the penalties inflicted on persons living on the immoral earnings of women. One of the committee's discussions was concerned with beauty contests and the possible moral dangers they involve.

ARBITRATION PACT

Aristide Briand and Arthur Henderson notified Sir Eric Drummond during April of the ratification by their governments of the general act for the pacific settlement of international disputes. M. Briand said: "The French Government is now in a position to deposit its definite accession with the Secretariat of the League of Nations. However, taking account of the wishes of Parliament and in order to emphasize the importance French opinion attaches to this act, I intend to deposit our accession myself during the next session of the Council of the League." The British note was, likewise, to the effect that Mr. Henderson would deposit Great Britain's ratification of the act.

THE PROBLEM OF LIBERIA

Dr. Melville D. McKenzie, well known for his work on typhus fever and malaria in Soviet Russia and for his special missions under the League Health Organization to Greece, Bulgaria, Bolivia and Czechoslovakia, has been appointed to take care of public health

and sanitation in Liberia. This will mean, first of all, an intensive fight against the scourge of yellow fever, a fight already being waged in Monrovia under the direction of Dr. W. M. Howells, deputy director of public health on the Gold Coast. This work in the field of health is considered a vital preliminary to the other projects for assisting Liberia in the realms of finance and colonial administration, which are being investigated by M. Lighthart (for finance) and M. Henri Brunot (for administration). All these plans for Liberia, originating in her own request for assistance, will be submitted to the League Council for approval and then carried out with the cooperation of the Liberian authorities.

The 1930 report of the commission concerning the traffic through the Dardanelles has just been made public. It recommends lower taxes to be paid to Turkey and lower prices for the Turkish salvage services. The commercial traffic through the straits was 40 per cent greater than for 1929, Italy leading with 4,500,000 tons and Great Britain second with 3,700,000. The United States had only about 500,000 tons.

The health section of the League, through its epidemiological report, shows that mankind is waging a very successful fight against typhoid fever. The death rate for 1929-30, as compared with the years just before the war, has been reduced 75 per cent in Germany, 80 per cent in England, 50 per cent in France and 75 per cent in the United States. England and Germany lead the world with about one death per 100,000; France and the United States are about equal with five deaths per 100,000.

INTERNATIONAL CREDIT INSTITUTION

The subcommittee on agricultural credits of the Commission of Inquiry for European Union met at Geneva on

April 18. This committee considered in detail the plan drawn up by the League Financial Committee for the organization of an international mortgage credit company for the purpose of "alleviating the burdens which weigh on agricultural production in various countries and to facilitate improvement in methods of cultivation with a view to diminishing the expenses of exploitation, which at present absorb too large a share of the profits." It is proposed that this international credit institution be in the form of a limited liability company under the auspices of the League of Nations, which will "make long or medium term loans to mortgage credit companies which lend the sums so received upon first mortgages or immovable property exploited agriculturally." The authorized capital is fixed at \$50,000,000 gold, of which a first block of \$5,000,000 will be issued as soon as the convention creating the company becomes effective. The international character of the institution is carefully insured by the details of its constitution. Of the governments represented on the committee, twelve — Rumania, Czechoslovakia, Yugoslavia, Belgium, France, Italy, Switzerland, Bulgaria, Estonia, Hungary, Latvia, Poland—approved the plan in principle.

INTERNATIONAL LABOR OFFICE

The proverbially neglected "white collar man" of the world for once received his due share of attention in April during the first session of the Advisory Committee on Salaried Employees, set up by the governing body of the International Labor Office. Eleven representatives of salaried employees from nine countries met with two representatives of the governing body. The serious problem of unemployment among this class of workers was studied and three constructive measures recommended: (1) The development of national systems of free public employment exchanges and in-

ternational cooperation for finding work for salaried employes; (2) the adoption internationally of a more liberal policy regarding the labor market, enabling employes to find work abroad (agreements between governments are proposed to secure for such employes the benefits of social insurance); (3) vocational training of the unemployed with a view to helping them change their profession. The committee recommended also that the attention of governments be drawn to the importance of legal extension of the period of notice to be given before dismissal and increase in dismissal compensation—measures to be regulated by length of service in order to give older employes a better chance of finding new work. Protection of apprentices and the legal status of commercial travelers were also considered by the committee and recommendations made to the Governing Body.

On the agenda for its next meeting the committee wishes to include: Sunday rest, regulation of the opening and closing hours of shops and holidays with pay for employes. The report of the Committee on Salaried Employes was considered by the fifty-second session of the Governing Body of the I. L. O., which met on April 18, and the various recommendations were referred to appropriate committees of the organization.

An interesting feature of the opening session of the Governing Body was

the welcoming of Adolf Posada, representing the new Spanish Republic, who replaces on the Governing Body the Count de Altea, former representative of the monarchy. Señor Posada expressed the intention of the new Spanish Government "to continue to cooperate enthusiastically in the work of furthering social justice which the office is carrying out."

A memorandum, prepared by the I. L. O. and containing proposals for practical action on unemployment, was examined by the Governing Body and will be transmitted to the meeting of the Commission of Inquiry for European Union. This memorandum lays especial emphasis on two points—organization for securing work for unemployed workers through public exchanges and the carrying out of large-scale public works—and suggests ways of working out these proposals.

On April 15 the Permanent Court of International Justice held the first public hearing of its twenty-first session. This was an extraordinary session for the hearing of arguments by representatives of Germany and Poland on the question whether the children who were excluded from the German university schools in Polish Upper Silesia on the basis of the language tests provided for by a resolution of the Council in 1927 can now for this reason be refused access to these schools.

The American-European Economic Conflict

WHAT is the way out of the world depression, "this impoverishment that comes from plenty"? This was the question before the 800 or more delegates from thirty-five nations who met in Wash-

By D. E. WOLF

ington on May 4 for the sixth congress of the International Chamber of Commerce—probably the most representative unofficial gathering that could be assembled today. In considering these seven topics—rep-

arations and war debts, tariffs, wage levels, agriculture, the silver problem, stabilization of employment and the so-called Soviet menace—the conference set itself the almost impossible task of eschewing politics. If, as many believe, politics and governments are powerless to solve the world's economic dilemma, here was a great opportunity for a gathering of bankers and industrialists, neither shackled by instructions from home governments nor in terror of home opposition parties, to work out possible cures.

Whether these men who, as a group, really control a vast part of the ebb and flow of international trade, took advantage of this opportunity it is impossible to know at this writing. What went on in discussions behind the scenes may bear fruit some time in the future. Their public speeches and discussions are worth careful consideration for two reasons. In the first place, they revealed forcibly how wide is the gap between the American and the European approach to these problems. While the American speakers made it clear that, with all our unofficial participation in European conferences and the repeated references of our statesmen to "world cooperation," we still believe in our self-sufficiency, still feel instinctively that it is safest to walk, like Kipling's cat, by our lone, the Europeans revealed their growing conviction that their salvation lies in some sort of concerted action, although as to what sort there is radical disagreement.

It is significant that the European spokesmen came closest to harmonious agreement in their criticism of America and more especially of our tariff and war debt policies. Neither delicate considerations of hospitality nor the most skillful efforts of President Hoover, Secretary Mellon and the United States delegates to divert attention to other matters could still the rattling of the bones of these unpleasant skeletons in the cupboard.

Opening the conference with a short

speech, Mr. Hoover ignored not only these, but all the subjects on the agenda, and devoted his entire attention to the reduction of land armaments. He pointed out that 5,500,000 men are now actively under arms and 20,000,000 more in reserves, and that this "gigantic waste of competition in military establishments" means not only economic burden but also political instability. He referred to the forthcoming conference for reduction of land armaments and declared that "it is within the power of the business men of the world to insist that this problem shall be met with sincerity, courage and constructive action." This is exclusively a European question since, as the President pointed out, our government has no intention of reducing our land forces further. This being the case, Mr. Hoover's speech was interpreted as simply a clever weapon to stave off criticism of America by reminding the conference that Europe is in no position to complain to America of war debts and tariffs while spending billions on her own military establishments. For what is \$236,000,000 paid us this year in war debts, compared to \$5,000,000,000 spent on armaments?

Secretary Mellon approached the same end by a different method when he told a luncheon of foreign bankers on May 5 that "under the Young Plan and the coordinating influence of the Bank for International Settlements confidence has been established in the willingness and the ability of Europe to honor its obligations." Mr. Mellon's attitude toward the world-wide depression, as expressed in his speech, was one of cautious conservatism and guarded optimism based on faith that there is nothing fundamentally wrong with our economic system. This attitude is the guiding policy of the present administration. It is based on the philosophy of high wages, a high standard of living to maintain purchasing power, which Mr. Mellon called the "all-important factor," and, finally, individual enterprise free from

government or group domination. "We shall succeed in time in working out our economic salvation," said Secretary Mellon, "in accordance with the special needs of our own people and the social and industrial system which has been built up. But it will be done in the future, as in the past, by individual initiative and not by surrendering the management of business and industry to the government or to any board or group of men temporarily invested with overhead authority. Conditions today are neither so critical nor so unprecedented as to justify a lack of faith in our capacity to deal with them in our accustomed way." We are reminded of President Hoover's assurance, last October, that this country is capable of achieving economic recovery quite independently of Europe.

Although critical of government intervention or price fixing, the Europeans, on the other hand, pinned their hopes of recovery on concerted action, especially with regard to tariffs. Georges Theunis of Belgium, retiring president of the International Chamber, said that he was convinced that the present tariff system in all parts of the world was one of the fundamental causes of the trouble, while, unfortunately, the "protectionist temper" was being aggravated by the depression itself. Jean Parmentier, director of the *Crédit Foncier* of France, advocated a system of regional customs agreements, similar to the Austro-German pact, provided they included all and discriminated against none. As an ideal he cited our interstate commerce without customs barriers, which, he asserted, would transform Europe into an economic unit and insure her prosperity.

Sir Arthur Salter, the retiring director of the economic and financial section of the League of Nations, pointed out that in the last few years the great new increases of tariffs have occurred not in Europe but in "the other continents." In Europe, he continued, "trade barriers from which

industry is suffering are on the whole not greater than in 1927, and this, in spite of the fact that European policies are affected—and cannot but be affected in future—by the impact of new duties imposed elsewhere." Sir Arthur referred to the League of Nations as the most effective as well as the most logical instrument for study and action on all phases of the depression.

Dr. W. H. Coates, director of the British Imperial Chemistry Industries, Ltd., discussed tariff retaliation not as a threat but as a flat statement of fact. "Seeing American industrial prosperity under a high tariff régime," he said, "Europe is apt to imagine that by the imitation of the policy of raising tariffs continuously it can achieve the same measure of welfare. Alternately, Europe feels that its industries must be protected against the efficiency of American methods. American products must be excluded because America excludes European goods. Europe is proceeding to raise its barriers against America."

Henry Bell, director of Lloyd's Bank of London, remarked on May 7 that, in his opinion, what is hurting the world most is "a misconception on the part of the great nation whose guests we are. They are magnificent hosts, but they are awfully poor customers. It is \$150,000,000 now that we (Great Britain) owe to America," Mr. Bell continued. "And America makes it as difficult as it can to let us pay that \$150,000,000. In the whole of Europe America sells twice as much to Europe as it will take in exchange."

The question of debts and reparations, whose connection the United States Government has never officially recognized, was squarely put to the congress by British and German delegates. "Would it perhaps not be better to cancel international debts of political origin?" asked Sir Alan Anderson, a director of the Bank of England. The debtor nations, he asserted,

would welcome an extension of the policy of Great Britain, which canceled a great surplus of debts owing to her. Dr. Karl Bergmann, former German Finance Minister, recalled the resolution adopted by the International Chamber in 1923—enunciating the principle of capacity to pay on which the Dawes Plan later was based—and declared that it was the duty of the present congress “not to let the matter pass by in silence.” The Young plan, he said, even though of such recent origin, must be critically reconsidered in the light of the fundamental economic changes which have occurred since it was put into effect.

These remarks were not relished by the French and American delegations, since the former insist that reparations and the latter that debts arising out of the war have now been settled permanently. It was pointed out that talk of cancellation was irrelevant in view of the fact that the debtor nations had not even taken advantage of a moratorium, for which the debt and reparation settlements made specific provisions.

In its closing session on May 9 the conference passed 43 resolutions dealing with all the subjects discussed. Those which concerned reparations, debts and tariffs were compromises which approached these subjects so guardedly that not even the American delegates could object to the terminology. Without even mentioning the offending words, the resolution urged an “impartial examination” of the effects of “international obligations” on international trade, “if warranted by changed economic conditions.” Ignoring the open criticism of our tariff policy which had preceded it, the tariff resolution advocated that “national and international trade should be encouraged by the removal of every obstacle possible.” The most forthright statement expressed disapproval of the proposed Austro-German customs union as violating the most-favored-

nation principle. In deference to President Hoover's speech it was resolved that efforts at disarmament should be redoubled, although President Theunis insisted to the last that this was a political question involving security and therefore not within the scope of the International Chamber of Commerce.

THE SMOOT-HAWLEY TARIFF UNDER FIRE

The prospects of downward tariff revision by this country appeared to be extremely slim in spite of the fact that in the last few months public opinion in its favor has been increasingly vocal. During April alone five prominent business men declared publicly their opposition to the Smoot-Hawley rates. On April 8 James D. Mooney, vice president of General Motors Corporation, declared that when we passed that bill “we slammed the door on many of our excellent customers who wanted to ship us goods in exchange for the goods we had sold them.” On April 21 General W. W. Atterbury, president of the Pennsylvania Railroad, declared that the high tariff walls of all nations must come down. At a meeting of the Academy of Political Science on April 24 Russell C. Leffingwell of J. P. Morgan & Co. and John H. Fahey, former president of the United States Chamber of Commerce, expressed similar opinions.

On May 1 Julius H. Barnes caused perhaps the greatest furor, in Republican circles at least, when he advocated downward revision of the present rates. Being close to President Hoover, Mr. Barnes was interpreted as predicting that the administration would approve such tariff legislation at the next Congress. But Mr. Barnes hastened to explain that he had been thinking not of Congressional action, but of adjustments by the Tariff Commission, which “do not have the unsettling effects that accompany a general overhauling by Congress.”

Three Republican Senators, Smoot,

Watson and Reed, arose to defend the present rates during April. Senator Smoot, co-author of the bill, maintained, on April 17, that "one of the most powerful influences working toward business recovery is the tariff act which Congress passed in 1930." The present Tariff Commission, said Senator Smoot, has ruled on thirty items, of which the rates on four were found to be too low, fourteen were correct and only twelve required reduction. Senator Reed denied, on April 25, that lower tariffs would solve the present predicament. Senator Watson took issue with Mr. Barnes, saying that lower rates would have accentuated depression and unemployment.

It is apparent, however, that pressure will be brought to bear upon the next Congress from a number of sources. One of these is a new organization, the Council for Tariff Reduction, formed by a number of prominent economists, lawyers and manufacturers.

There was no conspicuous change in the economic condition of the country in April or the first half of May. An increase of \$49,000,000 in the volume of our foreign trade during March and slight improvement in employment during April were considered to be largely seasonal.

On April 18 Secretary of Labor Doak announced the establishment of a system of Federal labor exchanges in all the States to cooperate with the State agencies. This plan, under the direction of John R. Alpine, Assistant Secretary of Labor, is virtually a counterpart of that embodied in the vetoed Wagner bill. There is one important difference, however, namely, that it involves no grants of Federal funds to the States, such as the Wagner bill provided, and will cost less than \$800,000, whereas the Wagner plan would have permitted the spending of \$1,500,000 the first year and \$4,000,000 a year thereafter.

No reduction of wages will be permitted in the Ford factories or in the

5,000 or more plants which supply them with material, it was announced on April 28. Mr. Ford was said to have made this decision on the principle that the quality of work required could not be produced by labor receiving less than his established minimum wage.

Reports that the Federal Farm Board has decided to sell part of its wheat holdings in foreign markets were confirmed on April 20, but rumors that the grain would be "dumped" for whatever price it would bring were vigorously denied by Samuel R. McKelvie, a member of the board. The board hopes to sell 35,000,000 bushels gradually by July 1, but only where it would not depress prices. Mr. McKelvie said that 7,000,000 bushels had already been sold abroad for more than the market price, because of its superior quality. "Dumping" would be out of the question, he added, because of foreign anti-dumping regulations.

The first cargo of Soviet lumber to arrive since the treasury ruling of last February was admitted on April 24. An investigation convinced treasury officials that the lumber was not from any of the four White Sea districts where, it is alleged, convict labor is used. The admittance of this cargo was therefore not regarded as a test case, but other shipments were expected which might involve court action by the importer, who is required to disprove the use of convict labor.

COSTS OF GOVERNMENT

On May 6 the Federal deficit stood at \$903,320,757, about \$169,000,000 more than the total cost of running the National Government in 1916. The seriousness of this situation (for a full discussion of which see Representative Byrns's article, pp. 398-402) was considered by President Hoover in a Cabinet meeting on April 24. Figures for three fiscal years—the current, which ends on July 1, the last

and the next—were compared, with the following results:

1929-30	\$3,994,000,000
1930-31	4,435,000,000
1931-32	*4,119,000,000

*Treasury estimates.

It is thus apparent that while the government spent \$441,000,000 more this year than last, it intends to cut \$316,000,000 of this off next year's budget. Just how this economy is to be effected President Hoover did not indicate. How much of this gigantic burden is a war legacy is shown by the fact that nearly two-thirds of next year's expenses are traceable to national defense, veterans' administration, and interest on and retirement of public debt.

The following comparative table, though incomplete, serves to show the general expansion of government costs, which if not all direct results of the war, have nevertheless followed upon that catastrophe:

Ordinary Expenditures. 1916.	1932.
Legislative establishments	\$13,807,744
Executive proper	501,691
State Dept.	6,307,385
Treasury	71,796,973
War Department	164,546,866
Dept. of Justice.	10,539,385
Postoffice Dept.	7,271,835
Navy Dept.	153,853,567
Interior Dept.	199,471,169
Dept. of Agriculture	27,970,065
Dept. of Com'rce	11,438,371
Dept. of Labor.	3,608,438
Veterans' Bureau	789,623,100
Other independent offices and commissions ...	7,165,436
Dist. of Columbia	13,254,883
Total	\$691,533,810
Unclassified items	\$991,950
Total general expenditures	692,525,761
Interest on public debt.	22,900,868
	581,000,000

A THIRD WICKERSHAM REPORT

Duplication and disunity among the government departments is still a serious evil, in spite of considerable reorganization and consolidation which President Hoover has effected in the past two years. This was the

complaint of the third report of the Wickersham law enforcement commission, which dealt with criminal statistics. As long as prison statistics are in the Bureau of the Census, police statistics in the Bureau of Investigation of the Department of Justice, and statistics of juvenile delinquency in the Children's Bureau of the Labor Department, no accurate data can be had, the report maintained. It recommended that these functions should be concentrated in the Census Bureau, to which statistics should be transmitted by the States in accordance with a uniform law. These recommendations of the commissioners were based on research studies by two experts, which made up the body of the report.

THE PULITZER PRIZES

The Pulitzer prizes for 1930 in literature, history and journalism were announced on May 5. Bernadotte E. Schmitt, professor of history at the University of Chicago, received the history award for his *The Coming of the War* (reviewed in CURRENT HISTORY for November, 1930).

Henry James's life of Charles W. Eliot was adjudged the best biography of the year, while *Years of Grace*, by Margaret Ayer Barnes, received the prize for the best novel. Susan Glaspell's play, *Alison's House*, based on the life of Emily Dickinson, and *The Collected Poems of Robert Frost* received the awards in drama and poetry. H. R. Knickerbocker's article on Soviet Russia, which appeared in *The New York Evening Post*, was chosen as the best example of foreign correspondence, and *The Atlanta Constitution* received a gold medal for outstanding public service, because of its campaign against municipal graft. The winning editorial, "The Gentleman From Nebraska," concerning Senator Norris, was the work of Charles S. Ryckman of *The Fremont (Neb.) Daily Tribune*.

The death of George F. Baker, "dean of American bankers," on May

2, at the age of 91, may be said to have ended an era in American banking history. Since 1877, when Mr. Baker became president of the First National Bank, the financial world has come a long way. Not only was Mr. Baker chiefly responsible for the building up of that vastly powerful institution, but he also held directorates in forty-three banks and corporations. He has been called the epitome of an era of great personal financial dictatorships, during which the huge individual fortunes were amassed in this country.

Professor Albert A. Michelson, who has been ranked with Einstein as one

of the greatest modern physicists, died on May 9 at the age of 78. Dr. Michelson's experiments, which Einstein himself acknowledged as the basis of his theory of relativity, were concerned with the measurement of the exact speed of light. His last and most novel experiment measured light speed in a mile-long vacuum tube, with mirrors at either end to reflect the light-ray back and forth ten times. This instrument, designed to achieve greater accuracy than had been possible before, was constructed at a cost of \$50,000. The experiment, which a number of great physicists including Einstein gathered to watch, was reported to have been successful.

Intervention in Central America

OUTBREAKS of banditry in Eastern Nicaragua and the initiation of a revolutionary move-

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bandits in Northeastern Nicaragua subsequent to April 11. (Ten days later an official report of casualties in

ment on the Honduran north coast against the Honduran Government were responsible for the issuance by the United States Department of State in mid-April of two notable statements setting forth the policies which the United States Government proposes to pursue with reference to its nationals in those countries.

The decision of the United States Government not to undertake to protect with armed forces its nationals in Nicaragua from acts of banditry unless they should withdraw to the coast towns, where they might "be protected or evacuated in case of necessity," was announced by Secretary of State Stimson in a message of instructions to the United States Legation at Managua on April 17. This notable announcement followed the receipt of official information by the Department of State that eight Americans and five other foreigners, two of whom were British subjects, had been killed in attacks made by Sandinista

Eastern Nicaragua showed that the foreigners killed there included eight American civilians, one Marine officer, four British subjects, one Guatemalan, one Colombian and one German missionary.) Also, the above communication followed by approximately twenty-four hours another State Department announcement that, in accordance with a decision made public on Feb. 13, the withdrawal of marines in Nicaragua was progressing—154 Marines having already been withdrawn from that country—and that the complete withdrawal of all marines from combatant duty in Nicaragua would be effected by June 3.

At the time that Secretary Stimson's message of instructions was sent on April 17 the United States cruiser Sacramento was at Bluefields, the cruiser Memphis at Puerto Cabezas and the gunboat Asheville at Gracias-á-Dios, all three places being important centres on the Nicaraguan east coast, while the Rochester, flag-



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ship of the Special Service Squadron, under the command of Rear Admiral St. Clair Smith, was proceeding at full speed to join the Sacramento at Bluefields.

Secretary Stimson's significant message of instructions read: "In view of outbreak of banditry in portions of Nicaragua hitherto free from such violence, you will advise American citizens that this government cannot undertake general protection of Americans throughout that country with American forces. To do so would lead to difficulties and commitments which this government does not propose to undertake. Therefore the department recommends to all Americans who do not feel secure under the protection afforded them by the Nicaraguan Government through the Nicaraguan National Guard to withdraw from the country or at least to the coast towns, whence they can be protected or evacuated in case of necessity. Those who remain do so at their own risk and must not expect American forces to be sent inland to their aid."

The banditry referred to by Secretary Stimson was that committed by four outlaw groups which early in April entered Eastern Nicaragua, where approximately 300 Americans

were located and where American investments total approximately \$16,500,000, and proceeded in small groups down four important rivers, looting, burning and killing as they advanced. To combat these attacks at the time that they were initiated there were only 136 men of the Nicaraguan National Guard, officered by fourteen United States Marines on the east coast. Reinforcements of Guardsmen were promptly sent to the east coast in marine airplanes.

Secretary Stimson's announcement that the Hoover Administration could not undertake to protect Americans in the interior of Nicaragua roused much discussion in both official and unofficial circles. Chairman Borah of the Foreign Relations Committee of the United States Senate expressed himself as being "in hearty accord" with the program "of getting out of Nicaragua." Senator La Follette of Wisconsin was "much gratified by the statement of Secretary Stimson," and Senator Norris of Nebraska found himself in general accord with it. Senator Fletcher of Florida expressed himself in favor of the withdrawal of Marines, but thought that "we ought not to submit to the murders that have just been perpetrated," and added that "we ought to land Marines and go for

them." Senator Swanson of Virginia, ranking Democratic member of the Senate Foreign Relations Committee, thought that Secretary Stimson's message of instructions "presented a serious situation" and refrained from commenting further on the matter. Senator Capper of Kansas thought that Secretary Stimson had done "precisely the right thing," and Senator Black of Alabama expressed himself in favor of "a return to the American principle of non-interference with the internal affairs of foreign governments, both great and small." Senator Johnson of California declared that the United States Government, through the new Hoover policy, was "inviting the assassination of innocent Americans and others by Nicaraguan bandits," and was taking "the humiliating position of saying we cannot protect the lives of our citizens."

Representative Fred Britten of Illinois thought that "if it is necessary to protect our citizens and their property generally * * * we should * * * send the whole Marine Corps to Nicaragua." Representative French of Idaho was in favor of leaving "these matters * * * to the State Department." Representative Rainey of Illinois thought that "we have meddled in Nicaragua long enough," but added that "Secretary Stimson should first remove Americans to a place of safety before withdrawing the Marines." Representative Fish of New York bitterly assailed the new Nicaraguan policy and asked: "What of maintaining the sacred traditional policy of protecting the lives and property of our citizens when the constituted authorities are unable to do so?" He added: "The American people do not propose to throw overboard their rights, wherever they may be." Representative Hess of Ohio, a member of the House Naval Affairs Committee, declared on April 20 that "it is high time this country should give the Marines a free hand in Central America. I disagree with the policy of

allowing dangerous bandits to threaten American lives and property." The following day Representative Ayres of Kansas characterized the new Nicaraguan policy of the United States as a "sharp abandonment of the Coolidge policy" and criticized it as being destructive "of our prestige" and as resulting in greater "suspicion and resentment of the smaller American nations toward this country."

Unofficially the opinion was expressed by some observers in Washington that the new Nicaraguan policy of the United States, now not infrequently referred to as the "Hoover Doctrine," appeared to be a reversal of the policy which led President Coolidge, in an address to the members of the United Press in New York on April 25, 1927, to declare: "The person and property of a citizen are a part of the general domain of the nation, even when abroad. On the other hand, there is a distinct and binding obligation on the part of self-respecting governments to afford protection to the persons and property of their citizens, wherever they may be. * * * It would seem to be perfectly obvious that if it is wrong to murder and pillage within the confines of the United States, it is equally wrong outside our borders. The fundamental laws of justice are universal in their application. These rights go with the citizen. Wherever he goes these duties of our government must follow him."

From Washington it was reported to *The New York Times* on April 18 that in the opinion of United States Senators familiar with recent developments, the Hoover-Stimson policy of not attempting to protect American property and American citizens in the interior of Nicaragua was dictated by the belief that American trade in Latin America was being injured by the activities of the United States Government in Nicaragua.

Apparently disturbed over what he considered a misunderstanding in the press of the government's attitude,

Secretary of State Stimson on April 18 issued the following significant statement, which amplified and explained his message of instructions of the day before:

The problem before the government today is not a problem of the protection of its citizens in Nicaragua from a war, but from murder and assassination. In that respect it is totally different from the problem which existed in 1926.

In 1926 two armies, consisting of two or three thousand men each, were fighting in Nicaragua on the east coast. Both armies professed to be carrying out the rules of warfare and and to be protecting neutrals and neutral property. So the problem of this government was solved by establishing neutral zones in which, by agreements with both armies at that time, hostilities did not enter.

These neutral zones, as I recall it, were established with the consent of both the Liberal and Conservative commanders of the contending armies. There was no organized attempt to murder private citizens of any country. The problem was only to protect them from the inevitable catastrophes of war.

Now we have a situation where small groups of confessed outlaws—treated as outlaws by the Nicaraguan Government—are making their way through the jungle to the east coast, with the avowed intention of murdering and pillaging the civilian inhabitants of the country.

The terrain where this is taking place is one of the thickest jungles in the world. The rainfall on the east coast of Nicaragua is something more than double the rainfall on the west coast and as a result this is very thick jungle country, a region impossible for regular troops to operate in effectively, even if it were attempted.

Another point of difference which is vital is that in 1926 there was no Nicaraguan constabulary. Since that time, for nearly four years, our officers have been helping the Nicaraguan Government train a force of constabulary especially for fighting in this kind of terrain, the very object being to produce the most appropriate kind of force to meet tropical and jungle conditions of warfare. That force has been recently raised from 1,850 to over 2,100 and is reported by its officers as being highly efficient.

Purely from the standpoint of protection the most effective way to protect the American and foreign civilians who have been suddenly exposed to this

danger in the forests of Eastern Nicaragua is to give them warning of the danger and an opportunity to escape to the protection of the coast towns; and then for this specially trained constabulary to operate in the jungle against the bandits.

If the number of constabulary now on the east coast is not sufficient for that purpose, there are certainly enough elsewhere to reinforce them against these comparatively small bands of outlaws.

American naval vessels are standing by at all the threatened east coast ports with orders to protect life and property at these ports. These ships will remain until the danger is over.

By assisting the government of Nicaragua in organizing and training a competent guardia we are not only furnishing the most practical and effective method of meeting the bandit problem and the protection of Americans and foreigners in Nicaragua from its attendant perils, but we are at the same time recognizing that it is a problem with which the sovereign government of Nicaragua is primarily concerned, and a problem which it is primarily the right and duty of that government to solve.

There has been no change in the determination of the American Government not to send American troops into the interior.

The events of this last week have pretty thoroughly torn the mask off the character of the mythical patriot Sandino. Two of his lieutenants have been recognized as leaders of these outlaw bands, and both from their work and from the evidence of captured papers they are shown to have been engaged in a deliberate plan of assassination and pillage against helpless civilians of various nationalities, including Nicaraguans, working in mines and logging camps.

The movements of these outlaws from the northwestern provinces to the eastern coast of Nicaragua came just after the terrific earthquake which prostrated the centre of that country, when every humane impulse was to assist those who were suffering from the catastrophe and when all forces, including marines and constabulary, were engaged in the alleviation of distress. It was in the hour of his country's desolation that Sandino chose to send his outlaws across the country to attack the region which he believed to be left unguarded.

President Hoover, on April 21, apparently determined to emphasize his personal approval of Secretary of

State Stimson's condemnation of Sandino, and at the same time to make clear to the world that there is no revolutionary movement in Nicaragua, but instead only sporadic disorders fomented by bandits, issued a statement in which he denounced Sandino as a cold-blooded bandit "outside the civilized pale." The President's statement read:

"Our advices are that the Nicaraguan Government has now placed in the field a total of over 1,300 men of the newly created National Guard in a drive to clean up Sandino and his fellow bandits. Our representatives advise that this force is several times that of Sandino and his bands. His raids upon important points have been frustrated by the dispositions of the guard, and the protection of our citizens on the coast is made doubly sure by the presence of our naval vessels.

"Sandino has placed himself and his band outside the civilized pale by the cold-blooded murder of eight or nine American civilians and many Nicaraguans at isolated places in the interior.

"The Nicaraguan Government has shown itself fully cognizant of its responsibilities. It is moving vigorously despite the difficulties created by the earthquake. While it may require some time to accomplish their purpose, due to the mountainous and jungle character of the country, I am confident Sandino will be brought to justice."

That the policy of the British Government regarding its nationals in Nicaragua is exactly the same as that recently announced by Secretary of State Stimson for the citizens of the United States who may be in danger of bandits or insurgents was reported from London on April 20 in a newspaper dispatch which stated that "no naval or military protective expedition whatever is contemplated by Great Britain. The British Chargé d'Affaires in Nicaragua has been notified to that effect and has been asked to tell British citizens that if they

fail to observe due caution, it will be at their own risk." The same day in answer to a question in the House of Commons, Foreign Secretary Arthur Henderson said: "Bandits have been active on the eastern coast of that country [Nicaragua]. They have been checked, however, by the National Guard, and are now reported to be retreating inland. I regret that in these disturbances two British West Indian subjects from Jamaica * * * are reported to have been killed. Three United States warships have been dispatched to the east coast with the authority, I understand, to disembark armed parties should the necessity arise. Our representative reports that in the view of the officer commanding the National Guard the situation is now under control."

A communication from the German Chargé d'Affaires at Guatemala City to United States Minister Hanna at Managua on April 20 requested that protection be given to about twenty German nationals in the Puerto Cabezas district and a similar request was made to Minister Hanna by the German Chargé d'Affaires at Managua. This, according to State Department advices, was the only instance of such a request being made by a representative of a foreign government. Nothing disturbing was found in the communication by the State Department, according to unofficial reports from Washington, the view being that no question was raised which might be construed as holding the United States responsible for safeguarding foreign nations in Nicaragua.

The U. S. S. Asheville reported officially on April 26 that complete quiet had prevailed in Puerto Cabezas and Cape Gracias-à-Dios since April 15.

SECRETARY STIMSON'S STATEMENT OF MAY NINTH

In a radio broadcast on May 9, Secretary Stimson outlined anew the policy of the United States with respect to Latin-American countries. This

statement was construed as a clarification of his message to the American Minister at Managua on April 17, referred to above. The text of Secretary Stimson's statement follows:

Honest people in one nation find it notoriously difficult to understand the viewpoint of honest people in another. * * * Some of our most important work and effort at the present time lies in this direction.

I will take for example our relations with the twenty republics of Latin America. Good relations with those nations constitute one of the cardinal tenets of our foreign policy. We are all republics. We have inherited together a new hemisphere, and for the last century we have been developing, under similar conditions of freedom from caste and social distinctions, common aims in democracy of government.

With the succeeding decades constantly increasing trade with these American neighbors as well as a gradual development of intercourse in cultural relations have been producing an important Pan-American solidarity in this Western Hemisphere. It is a growth big with promise for the future benefit of the whole world.

Yet this beneficent development has been retarded by several historic sore spots which have been obstinately interfering with the growth of good-will and friendly relations between us and our neighbors to the south.

Bitter memories arising out of former differences with Mexico; the occupation by our forces of Haiti under a treaty with that nation made in 1916; the presence of our marines in Nicaragua, though there at the request of her government and for the purpose of assisting her in the training of her constabulary, have all suffered distortion in South America unwarranted by these events as we understand them.

Each has been used by the enemies and critics of the United States as proof positive that we are an imperialistic people prone to use our power in subverting the independence of our neighbors. And these accusations, however unjustifiable, have damaged our good name, our credit and our trade far beyond the apprehension of our own people.

The State Department is addressing itself seriously and successfully toward the removal of these sore spots. In March, 1929, when a military insurrection broke out against the Government of Mexico, we rendered to her promptly and cordially such assistance as was proper and appropriate under the law

of nations, and relations with Mexico have been better ever since that action than for seventeen years past.

In February, 1930, we sent the Forbes commission to Haiti to devise a plan looking toward the termination of our occupation and the removal of our marines. In accordance with the investigation and report of that commission we have been steadily and rapidly turning over to the people of Haiti the management of their own affairs.

In January, 1929, there were over 5,000 American marines and naval forces in Nicaragua. By Feb. 1, 1931, that number had been reduced to less than 1,500. On Feb. 13, after consultation between the Government of Nicaragua, the marine commander of the Nicaraguan National Guard and the Secretary of State, a plan was announced and put into effect providing for the completion of the instruction of the Nicaraguan National Guard and the orderly and safe removal of all of the remaining American training forces by the Autumn of 1932, thus finally removing all American soldiers from the soil of that republic.

In spite of the difficulties that have been and may be caused by outlaw activities in that country, we are proceeding, and intend to proceed, with this plan. We have no intention of removing from American citizens in Nicaragua the protection which American citizens in foreign lands are entitled and accustomed to receive under the law of nations.

By assisting the Government of Nicaragua to organize and train a competent National Guard we are furnishing the most effective method of protection against bandits, and at the same time we are recognizing that the bandit problem is one with which the sovereign Government of Nicaragua is primarily concerned and which it is her right and duty primarily to solve.

As a matter of fact, a fair consideration of the facts makes clear that the new National Guard of Nicaragua is giving to strangers in the interior of that country a better protection than they have ever had before or than can be found in the interior of many other countries of that locality.

In these ways we have been seeking to eradicate the sore spots of Latin-American diplomacy, and the press comments throughout those republics have indicated that the effort has not been unsuccessful.

In many other affirmative ways we have been following out the same purpose. The long-standing quarrel between Chile and Peru over Tacna-Arica

was finally amicably terminated in 1929. During the same year a war between Bolivia and Paraguay was averted by the efforts of a commission presided over by an American, and which held its meetings in our State Department in Washington. Our friendly offices have been smoothing out other difficulties, of which boundary disputes constitute an example, between various American republics.

During the major portion of the past two years, the whole world has been passing through one of the most serious economic depressions of the past half century. Its effects upon international relations have been many and serious.

During that period there have been no less than forty-five sudden changes in the governments of the countries of the world. In no less than eleven of these instances, these changes in government were the result of armed revolution. In addition, ten unsuccessful revolutions were attempted, but were quelled by the government in power.

Most of these political disturbances were attributable directly or indirectly to the hard times through which we are passing. Many of them have furnished acute problems for the American State Department. For us it has been a period of strain almost as serious as if we were engaged in war ourselves.

The tribulations of our neighbors have not only produced diplomatic problems of governmental relations, but in view of the many Americans who now live, do business and make investments in many of those countries, the financial crisis which has produced the revolutions has also often brought American lives and property into jeopardy.

In all of this we have endeavored to act under recognized principles of justice and equity in dealing with the problems of our citizens with their neighbors. We have endeavored to carry out firmly and impartially the rules of recognition of revolutionary governments which have been attested as sound by the experience of history.

In spite of all the chances for misunderstanding with which these events have bristled, we are today on cordial working relations with all of the new governments produced by this crisis. We have been and shall continue to be zealous in our concern for the lives of our nationals wherever they may be found.

Where American investments or claims are imperiled by the wide-spread depression, we are seeking to give to Americans all of the counsel and assistance to which they are entitled un-

der the law of nations, while never losing sight of the great fact pointed out by Elihu Root, nearly a quarter of a century ago, that it is "the established policy of the United States not to use its army and navy for the collection of debts."

Though we have been passing through a period of storm, we have tried so to conduct ourselves that we shall emerge into sunshine on the other side with no scars and with the foundation laid for better international relationships than ever before. We are not departing from American traditions. We are carefully avoiding entanglements in the affairs and policies of other nations; but we seek to be guided by foresight and courage in moving toward an increasing cordiality with our neighbors in this hemisphere and toward the maintenance of peace in the world at large.

REVOLUTION IN HONDURAS

Amplifying its policy of non-intervention for the purpose of protecting Americans from acts of banditry in Nicaragua, which was made public on April 17, the United States Department of State on April 19 announced that in connection with a revolutionary outbreak on the north coast of Honduras—in contrast with the outbreak of banditry in Nicaragua—protective measures of the United States in behalf of its nationals would be limited to the towns along that coast, in which, according to unofficial estimates, approximately 1,250 Americans were living.

News that a revolutionary movement against the Honduran Government had developed at Progreso and Tela, Honduras, on April 19 prompted the United States Government to order the cruiser *Memphis* to proceed at once from Puerto Cabezas, Nicaragua, to La Ceiba, Honduras, and to order two other cruisers to proceed to the same general region from Guantánamo, Cuba. In making known the dispatch of the *Memphis* the Department of State issued the following statement: "The situation in Honduras is different from that in Nicaragua as there is apparently a revolutionary movement against the Honduran Government. The American

forces will limit themselves to making provision for the safety of the lives and property of American citizens in the north coast towns of Honduras."

The revolutionary movement on the Honduran north coast began at Tela on April 19, when Roman Díaz, a supporter of General Gregorio Ferrera, attacked troops commanded by General José María Reina, who remained loyal to the government, headed by President Mejía Colindres. The same day other rebel troops attacked Sonaguera, but were repelled; also at Saba and Progreso government troops defeated rebel units.

The revolutionary outbreak proved not to be very formidable. On April 20 United States Minister Lay at Tegucigalpa advised the Department of State that no prominent military or political leaders had been identified with the revolutionary movement and that the movement appeared to have been recruited entirely from "unemployed Communists and the riff-raff of Northern Honduras." That same day, because of the rebellion and despite quietness in the greater part of the country, Congress declared martial law throughout Honduras for a period of sixty days; also more than 3,000 troops were dispatched to the north coast. Sharp skirmishes, in which twenty-nine persons were killed and many were wounded, occurred between the rebels and Honduran regular troops at several places along the Honduran north coast on April 22, the fiercest fighting occurring in the vicinity of Puerto Cortés. Heavy fighting continued on April 23 when government troops turned back rebel forces at Chamelecón and drove the enemy out of the area, thereby saving the railhead at San Pedro Sula. The following day the Honduran Legation in Washington received from the Honduran Ministry of Foreign Relations the following terse message: "Revolutionary movement quelled." Despite this and other equally assuring official dispatches, the forces of General Ferrera, which it was esti-

mated did not comprise more than 500 men, continued to menace the north coast towns until late in the month.

Rear Admiral Arthur St. Clair Smith, commander of the Special Service Squadron, on April 27 advised the United States that the arrival of cruisers in Honduran waters had "been very beneficial." He added: "The situation in the coastal ports remains quiet and no loss or injury to American life or damage to property has occurred. This applies also to foreign nationals. Considerable tenseness, uncertainty and alarm felt by American citizens in the beginning justified use of vessels on this coast, but the situation at present shows business conditions along the coast satisfactory and operating along normal lines."

EARTHQUAKE RELIEF WORK IN NICARAGUA

With reference to the disastrous earthquake which destroyed Managua on March 31, President Moncada on April 4 issued a statement to the American people in the course of which he said that the catastrophe had left 45,000 persons homeless, ruined the centre of the commercial and financial life of the State, destroyed jobs, cash resources and the organization of commerce, and for the time deprived the government of the mechanism through which it could function. Practically all the important records were gone. "The work of a whole people was undone in a few hours." Nevertheless, Nicaragua did not despair. The government was being reassembled and the capital would be moved within the next few days to Masaya. "Granted even the most favoring circumstances, the work of rebuilding must take at least two or three years. The government, in reality, is confronted with the task of beginning a new life."

The United States War Department on April 22 issued a statement summarizing the results of relief work in Nicaragua. This showed that relief

work in Managua was now well organized, families needing help have been registered, a card system having been put into effect and uncooked food being issued daily by the Red Cross to 18,000 people. Many people were returning to their homes and repairing them, though small shocks continued almost daily. The city now had an adequate supply of drinking water. The railroad was operating normally. Granada had some 7,000 refugees. Health conditions were normal. Approximately 12,000 persons had received three inoculations against typhoid. The serious problem of housing some 15,000 or 20,000 homeless persons before the rainy season begins was receiving attention. All these activities were directly under the supervision of the central relief committee of the American Red Cross and its subcommittees.

The 1931 budget of the Costa Rican Government, totaling 26,800,000 colones (a gold colone is worth approximately 46 cents), was approved on April 7. The main items of the budget include: Education, 4,259,665 colones; the Departments of Commerce and Finance, 3,185,788 colones; Public Works, 3,042,984 colones; Public Safety, 2,528,873 colones; interest, commission and service on debts, 5,628,000 colones; amortization of debts, 2,721,260 colones; miscellaneous and other items, 5,433,000 colones.

General Lázaro Chacón, who resigned as President of Guatemala in December, 1930, because of a stroke of paralysis, died on April 10 in New Orleans, to which place he had gone for treatment.

CUBAN PRESIDENT'S OFFER TO OPPONENTS

Six days after the offer of a truce to his political enemies on April 2, President Machado took the first steps to prove his good faith when all students held at the Isle of Pines jail at Nueva Gerona were ordered to be

transferred to Cabanas prison at Havana, in accordance with promises to relatives. Also, that same day the release of certain political prisoners was begun.

President Machado's offer was considered by the Opposition leaders on April 11 when the demands, or conditions, under which they would accept the proposed truce were drafted. These demands were: (1) Revision of the Constitution with restoration of the original provisions drafted on May 20, 1922; (2) a new electoral census, free of frauds, based on the exact number of all inhabitants and listing those entitled to vote; (3) complete reorganization of the Liberal, Conservative and Popular parties, with equal opportunities for all candidates for posts in the new parties; (4) granting the right to women to vote before the 1932 elections; (5) constitutional limitations on the terms of Congressmen elected on Nov. 1, 1930; (6) new Presidential elections in November, 1932, for Senators, Representatives and Mayors.

Willingness to rectify errors in his administration, "even if personal sacrifice is necessary," was expressed by President Machado on April 18, when he replied to the above demands. He said in part: "If the people of Cuba wish and express by a majority vote a desire for constitutional reforms, even restoration of the original document of 1902, they will be made. If curtailment of the terms of office of the President and Congressmen will restore permanent cordiality and peace among Cubans those periods will be shortened. If Parliamentary government will solve the problems by strict 'Presidential centralization of powers,' we will adopt the system requested by the majority. If electoral frauds have proven that the people are not interested in casting votes, we will stop the frauds and the autocracy of party executives. If the judicial power ought to be independent of the executive it will be separated. Every democratic country needs a well-organized, high-

grade opposition in Congress and I depend on it to rectify my government's political and economic problems."

The following day Secretary of the Interior Vivancos, pursuing the administration's declared policy of frank cordiality toward the Opposition, announced that the government was ready to permit the reopening of the university and all other educational institutions if the students would agree to abstain from further disorders. He further announced that "the government is willing that the students participate in politics, although always away from the university, their views to have no connection with the scholastic organization."

Approval in principle of the constitutional reforms demanded by the foes of President Machado was voted on April 22 by the Cuban House of Representatives, three-fourths of whose members are supporters of President Machado. Despite this legislative sanction, however, the foes of the Machado Administration were reported on April 23 to have broken off negotiations with him for a truce to end bombings and other disorders. The Oppositionists accused the government of rejecting or postponing action on all specific proposals offered and of keeping a mere appearance of good faith by "accepting in principle" nearly all of them.

On May 10 negotiations reached an impasse when Opposition and Government leaders in the House of Representatives deadlocked on the proposed reforms. After a conference the students and university professors issued the following statement: "The university professors and students will not agree to work for a rapprochement with the government. They disapprove the steps toward constitutional reform because of the illegal Congress which is incapable and is unauthorized to work for harmony."

A court-martial verdict, which acquitted Major Manuel Espinosa and

sentenced Private Camilo Valdes to death for attempting to assassinate President Machado, was signed by President Machado on April 9. Major Espinosa was formerly aide de camp to President Machado.

Charges made on April 21 to the effect that Major Arsenio Ortiz, former military supervisor of Oriente Province, had been responsible for the deaths of approximately forty political prisoners at Santiago, created a sensation in Cuba that endured for the remainder of the month. The day after these charges had been filed Lieutenant Felipe Valle, formerly aide to Major Ortiz, committed suicide, which he justified in a note on the ground that his execution being inevitable, he preferred to kill himself. The same day Major Ortiz's arrest was ordered, and two days later (April 24) a mob of 2,000 persons at Santiago attempted to lynch Corporal José Heredia, who was charged with having been an assistant of Major Ortiz. On April 27 Major Ortiz and fourteen former associates were indicted on six counts in the investigation of the slayings of forty or more political prisoners.

Cuban import duties on certain articles, including live stock, lumber, articles of aluminum, zipper fasteners, argon gas, and brass sockets for the manufacture of incandescent electric bulbs, were changed by a Presidential decree, which became effective on April 16. The majority of the changes were downward, except in the case of lumber, where the altered classifications do not allow of direct comparison.

Suggestions by an official of the Mexican Ministry of Finance that salaries of federal employes be reduced in order to meet a prospective deficit of 30,000,000 pesos (approximately \$15,000,000) at the end of the current fiscal year, aroused a chorus of protest on April 8 from Mexico City newspapers. The newspaper *El Universal* argued that if any cut was necessary

it should be made only in the salaries of higher-paid officials.

A conference to consider the economic depression was attended on April 21 by President Ortiz Rubio, ex-President Calles, every member of the

Cabinet and the heads of every government department. Official announcement was made after the meeting that views had merely been exchanged and that another meeting would shortly be held.

Political Unrest in South America

THE chronicle of events in South America for the past few weeks presents a record not unlike that of other recent months. With the exception of certain changes in Cabinet officers—notably in Argentina, where the Provisional Government of General Uriburu received a setback at the polls on April 5, which led among other things to reconstruction of the Cabinet—the story is already a familiar one. It has as its most conspicuous element the financial stress which faces the majority of the South American governments, and as corollaries thereto the efforts of governments to improve their economic status, to increase their incomes (sometimes by ill-advised tariff increases), to effect economies in administration, to reduce salaries, to foster trade and to relieve unemployment. Parallel to these, though perhaps not of equal importance, is the political unrest, which seems to continue unabated, and out of which rises from time to time the spectre of public disorder, with its threat of political instability and—more remotely—of political anarchy.

The program of the new Argentine Government provided for provincial elections in the Province of Buenos Aires on April 5, to be followed by similar elections at an early date in the Provinces of Santa Fé, Corrientes and Córdoba. The results of the Buenos Aires elections were a surprise, because the Radical party, to which former President Irigoyen belonged and which he led for many

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years, received the greatest number, though not a majority, of the votes cast, the Socialist party holding

the balance of power between the Radicals and the Conservatives, who supported President Uriburu.

The results served to bring into relief two aspects of the political situation. In the first place, they showed that the Radical party had an excellent chance of winning the country in any national election held in preparation for the return of constitutional government; and, in the second place, they indicated a loss of popularity by the Provisional Government.

President Uriburu met the situation in accordance with his program, announced at the time of his assumption of office. In a public pronouncement he declared that he considered it his duty to prevent the government from falling again into the hands of "those who had formerly exploited it," and called on the Radicals to announce their program. He emphasized the fact that the Radical party had received a blank mandate from the voters, that its leaders were those who had led it before, and that a frank and open declaration of policy was essential as a guarantee that the "crimes of the past" would not be repeated. The government also announced that the elections in the other three provinces would be postponed until after a national election had been held. This appeared to have been a wise political move, since it is unlikely that a national election could be won by the Radicals without a



SOUTH AMERICA

1928, who has been living in France since the end of his administration. His arrival in Buenos Aires on April 25 was the occasion for a great demonstration by the members of all parties. Dr. Alvear has undoubtedly returned to lead the Radical party. The significance of the popular welcome accorded to him lies in the fact that he was not a supporter of President Irigoyen's Personalist régime. A victory by the Radicals in a popular election under his leadership might conceivably be accepted by the Uriburu Government as representing the will of the people.

The situation is full of uncertainty as to the political future. With neither group in the majority and with the Socialists holding the balance of power almost anything is possible. Developments of early May led to grave doubts that Uriburu could remain much longer in power, as the army, navy and political leaders were all reported as turning against him.

definite statement of their program and an opportunity to discuss it, which had not been possible in the Buenos Aires election. But on May 8 President Uriburu, in response to popular demand, set the provincial elections for Nov. 8, simultaneously agreeing to Congressional elections for that date. The next step taken by the President was a reorganization of his Cabinet, intended to remove from it those who were closely affiliated with the Conservative party and whose political activities were responsible in part for the success of the Radicals in Buenos Aires. Of the new Cabinet, sworn in on April 17, only three members of its predecessor remain—the Minister of Foreign Affairs, the Minister of War and the Minister of Public Works, the last named being transferred to the Ministry of the Interior. As now constituted the Cabinet is definitely non-political.

An important factor in the situation is the return of Marcelo T. Alvear, President of Argentina from 1922 to

In addition to Argentina, several of the South American governments have made Cabinet shifts of greater or lesser importance during the month, and in other cases reports are current of impending governmental changes.

President Isidro Ayora of Ecuador on May 3 officially denied reports that he intended to resign because of misunderstandings with his Cabinet. According to the President, all branches of the government are working in harmony to bring the country safely through the financial difficulties arising from decreased revenues. Salary reductions of 7 per cent and a decrease of 10,000,000 sucres (\$500,000) in the 1932 budget are among the measures contemplated, he said, to avoid a deficit. A special tax of 1 cent a word on cable messages is another proposal intended to help meet the situation.

In Chile President Carlos Ibáñez del Campo on April 28 accepted the resignation of five members of his Cabinet, replacing them with new

appointees pledged to aid him in his program for governmental economy.

Rumors of impending reorganization of the government in Brazil, ranging from establishment of a military dictatorship to early resumption of a constitutional régime, followed conferences in Rio de Janeiro between men prominent in the revolution of last October and November and Provisional President Getulio Vargas. Among the conferees, according to *A Noite*, were Oswaldo Aranha, Minister of Justice; General Flores da Cunha, Governor of the State of Rio Grande do Sul, and Assis Brasil, Ambassador to Argentina. Advocates of a military junta advanced labor troubles and dissatisfaction by local populations with the Federal Governors, as in the State of Sao Paulo, as justifying the step. The only Cabinet change reported in recent weeks was the appointment of Ribeiro Junqueira of the State of Minas Geraes as Minister of Agriculture. General Tasso Fragoso, one of the leaders of the October revolution and a member of the military junta which preceded the present Provisional Government, was named chief of staff of the Brazilian Army on April 26.

The Bolivian Cabinet has lost the services of Daniel Sánchez Bustamante, Minister of Foreign Affairs, and Luis Abelli, Minister of Finance, both of whom resigned in April.

LABOR TROUBLES

In a world in which because of the economic depression so many people are out of work and suffering for lack of the necessities of life it is not strange that disturbances should occur. South America has had her share of these, some due to economic causes, others growing out of the political unrest which has been prevalent in that continent for several years. Among the countries affected by internal difficulties of this sort during recent weeks are Bolivia, Brazil, Colombia, Paraguay and Venezuela.

Bolivia's difficulties have been due to strikes rather than to political disturbances. Two strikes, of widely different origin but unaccompanied by violence, began almost simultaneously. Telegraph and mail employes struck throughout the country on April 10, following the discharge of two employes, at the same time demanding better working conditions. On April 13 public school teachers at Ayacucho struck as a protest against failure to pay their salaries for two months, students joining in the walk-out. In the case of the postal and telegraphic workers the government—following a famous American precedent—refused to admit their right to strike, and adopted a firm attitude which apparently had the support of the press and public generally. An effort by the General Federation of Workers to initiate a general strike in sympathy with the postal and telegraph employes failed. On April 20 the strike ended in a victory for the government, which stood fast in its position, refusing to reinstate employes who did not return to work within twenty-four hours of the publication of its decree of April 11.

In the case of the teachers' strike the government adopted a sympathetic attitude, pointing out the difficulty of paying all government employes promptly because of the financial stringency, but promising not to pay employes of any other executive branch until teachers' salaries to date are paid. The strike was promptly settled on that basis.

The government of Dr. Getulio Vargas in Brazil has been having difficulties with the State of Sao Paulo, culminating in a short-lived and bloodless revolt of the Sao Paulo police on April 28, which was apparently put down without difficulty. Trouble has been brewing in the State for some time, largely because of opposition to the Provisional Governor, Juan Alberto, an appointee of the central government, by the Democratic party, whose leaders held con-

trol of the State for five weeks after the successful Vargas revolution. The Democratic demand that a native of Sao Paulo replace Governor Alberto has apparently had the support of the press and the enthusiastic backing of some 3,000 university students who led a demonstration against the Governor.

It will be recalled that the city and State of Sao Paulo were centres of Conservative strength in Brazil during the Presidency of Washington Luis. Alleged favoritism shown this great coffee-producing State by the Luis government contributed to the Liberal Opposition which culminated in the revolt of last November. The Democratic party had led the campaign against the Luis régime in the State, and its present opposition to the Governor appointed by the Central Government may be due in part to a feeling that its share in the success of the revolution has not been sufficiently recognized in the award of political "plums."

In Colombia the sporadic disorder which has accompanied political campaigning in recent months broke out anew early in May during the electoral campaign for members of the House of Representatives. Rioting at several places between Liberals and Communists resulted in one death and numerous injuries.

Paraguay has extended the "state of siege" which expired on March 31 until Aug. 31, by virtue of a Presidential decree approved by Congress on April 22. This action was apparently precipitated by an unsuccessful revolt which occurred on April 20. According to press reports, Eduardo Schaerer, who was President of Paraguay from 1912 to 1916 and who was one of the leaders in the agitation, has been exiled. An attempt to induce troops at Campo Grande, under command of Major Franco, to join the revolt, failed, and the agitators were arrested. A group of rebels who crossed over the Paraguay River from

Argentina and captured the town of Villa Alberdi, with its garrison of sixteen soldiers fled, when a gunboat arrived on April 23. Paraguay has been suffering from labor disturbances, due in part to the depression and in part to agitation against government by martial law. Much of the unrest has been due to Communist activity, according to governmental statements.

Contradictory reports of revolutionary activities in Venezuela continue to appear, mainly in the Colombian press. General Arévalo Cedeño was reported to be gaining supporters in the State of Apure, according to dispatches in *El Tiempo* of Bogotá, Colombia, while a movement in the State of Táchira, led by General Juan Pablo Penalosa, was reported on May 3 to have collapsed after an engagement in which General Penalosa was captured. At one time the rebel leader was reported as having captured Encontrados, about thirty miles from Lake Maracaibo. Official government statements continue to deny reports of revolutionary disturbances. A statement of the Venezuelan Legation at Washington on April 9 characterized the reports as "malicious inventions."

ECONOMIC CONDITIONS

In a brilliant speech before the International Chamber of Commerce at Washington on May 4, Don Carlos G. Dávila, the Ambassador from Chile, gave a convincing exposition of economic conditions in Latin America. The measure of the decline of purchasing power there is brought out by Señor Dávila's statement that importation of American-made automobiles alone has dropped in Latin America more than 83 per cent since 1929.

Venezuela's position economically is, of course, unique. President Juan Bautista Pérez, in his annual message to Congress on April 25, announced that the balance of the foreign debt of Venezuela, amounting to approxi-

mately 23,750,000 bolivars (less than \$5,000,000), had been paid during the year 1930. Venezuela's only national indebtedness now is an internal debt of about 26,500,000 bolivars. The National Treasury, he said, on April 14, 1931, had a balance in its favor of nearly 45,000,000 bolivars. He also pointed out that Venezuela had maintained her position as the second oil-producing country of the world during 1930, when production amounted to 141,000,000 barrels, an increase of 2,000,000 over 1929. The limitation of production by American companies operating in the Maracaibo basin, to which reference was made here last month, will undoubtedly affect Venezuelan oil production for 1931.

Most of the other countries less fortunate have tried to meet their problems in various ways. All are seeking methods of meeting their financial commitments and of improving the economic condition of their citizens. The unemployment problem has been particularly pressing, and the respective governments are exhaust-

ing every possible means to relieve this situation.

Measures taken in Brazil for the relief of unemployment include, in addition to the embargo on immigration throughout the year 1931, a provision that at least two-thirds of the employes of all individuals, firms or companies engaging in business in Brazil shall be Brazilians by birth. Other steps are a decree compelling registration of all unemployed at offices of the Department of Labor, Industry and Commerce under penalty of arrest as vagrants; and the establishment of agricultural colonies for the unemployed, with free transportation for colonists, maintenance for a brief period, employment on public works for half of each month for all members of the colonists' families, free seeds and farm implements, and free medical attention. The expense of this program will be met in part by an income tax on the salaries of all government employes, ranging from $\frac{1}{2}$ per cent on the smaller salaries to 2 per cent on the larger ones.

Land Taxation in Great Britain

MR. SNOWDEN'S budget transcended all else in importance in British political life,

and it was notable not only for remarkable skill in its more ordinary fiscal aspects but for the proposal which accompanied it, that a tax of two-fifths of 1 per cent be levied on the value of land with the exception of that used for agricultural purposes.

In the course of an interesting forecast for 1931-32 Mr. Snowden estimated that under present taxation expenditures would be \$4,016,000,000 and receipts \$3,830,000,000. Admitting that he was offering a make-shift for what he regarded as an extraordinary and temporary situation, and reminding Parliament that only

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large debt redemption had prevented the past year from showing a substantial surplus,

Mr. Snowden avoided

an increase in direct taxation by three ingenious expedients. He proposed an increase in the tax per imperial gallon of gasoline from 8 to 12 cents. He asked that three-quarters of the income tax payment be made in January instead of the usual half. He announced that thanks to the redivision of reparation receipts decided upon at The Hague and to the existence of the Bank of International Settlements, he felt justified in reducing the debt operations credit maintained in New York from \$165,000,000 to \$65,000,000. These operations would give him an estimated \$670,000 credit margin



THE BRITISH EMPIRE

for the year. He added that he hoped in 1932 to take advantage of the low money rates to reduce the debt and interest payments by further loan conversion operations. The securities market responded with broad advances and only the merchants lamented that the January income tax payments would hit the Christmas trade.

The response to the proposed tax on land values was more mixed, but the tax was as ingenious and revolutionary a proposal as the United Kingdom had seen since 1909 or 1911. In the first place it was good socialism, for in Great Britain, unlike the United States, land has in general escaped taxation. In the second place, it was good Liberalism, in fact rather better in its simplicity than Lloyd George's triple act which was in force from 1909 to 1920. That act yielded \$9,000,000 a year, but it was so complex that even incomplete assessment had cost \$25,000,000 by 1920. Mr. Snowden's scheme will need two years to secure the assessments, but he hopes that it will yield \$250,000,000 a year and force speculators in real estate to share with the socialized State their socially-created profits. Finally, the scheme robs the Conservative landlords of most of their counter-arguments by excepting land used for agriculture. Even so, the House of Lords is expected bitterly to resist.

The response of the government has been to make the land-tax part of the finance bill and the House of Lords is constitutionally unable to prevent the passage of money bills. In addition, Mr. MacDonald has made it clear that he would welcome a fight with the Lords.

The government resolution giving effect to the proposal was approved by the House of Commons on May 6 by 289 to 230 votes. In supporting the resolution Lloyd George declared that "the case for the taxation of land values is overwhelming."

The general domestic political situation showed little change, although the Conservatives won Ashton-under-Lyme from Labor and more than halved Labor's majority at East Woolwich. Political prophets agreed that an immediate general election would result in a Conservative victory. Liberal support preserved the government, which is really a Labor-Liberal coalition. This was made clear on the occasion of Mr. Baldwin's vote of censure of April 16 on unemployment policy. Mr. Lloyd George went through the manoeuvre of freeing his followers to act as they pleased. Naturally, except for Sir John Simon and nine followers, they pleased to keep Parliament alive and their political existence with it. Moreover, in his defense of the government, Thomas Johnston, the

new Lord Privy Seal, announced as future policy the extensive public works and assistance to rationalization of industry so dear to the Liberals, and close consideration of the Liberal Sir Tudor Walter's plan for the construction of 200,000 workers' cottages. In the result the government averted censure by the largest majority it has had in months, 305 to 251. The Mosleyites did not vote. The strength of parties on April 15 was: Labor, 274; Conservative, 259; Liberals, 58; Independents, 16. (For further discussion of the British political situation see the article "Britain's Two Years of Labor Government," by H. Wilson Harris, on pages 374-378 of this magazine.)

UNEMPLOYMENT AND TRADE CONDITIONS

There is good reason for believing that what the General Council of the Trades Union Congress thinks today the Labor Party will at least have to consider tomorrow. Considerable interest, therefore, attached to the announcement by the council of the proposals it would make at its hearing before the Royal Commission on Unemployment. It came out flatly against any contributory or insurance scheme of relief, arguing that neither worker nor employer nor the treasury should carry the burden. The task was the nation's and the way to carry it was by a levy on all incomes, beginning with 1 per cent on those below \$1,250 and rising, with a surtax on unearned income. The amount paid was to be rebated in income tax assessment.

Trade showed signs of revival and unemployment decreased, but the trade returns for the first quarter were melancholy reading. Imports declined 25.9 per cent, exports 37 per cent and re-exports 29 per cent, making a visible adverse balance of \$445,675,000 as compared with \$474,450,000 in 1930. The decline of commodity prices seemed to be checked and this added point to various attempts to regulate industry, hours

and wages. A special committee of the cotton industry on April 9 submitted to operators and operatives three resolutions designed to effect the securing of accurate knowledge as to the relation between productive capacity and demand, the erection of apparatus for distribution of the available business, and the better integration and pooling of industrial resources. Conferences between employers and employed in the engineering industry (600,000 workers) considered the increase from a forty-seven to a forty-eight-hour week, reductions in piece rates, and certain other adjustments. A similar conference in the ship-building industry (200,000 workers) was faced by 52.6 per cent unemployment and little promise of improvement except a growing Russian demand for ships to be built on long credits. The Miners' Federation, with its forty members of Parliament, could deal in effect directly with the government. It has finally refused to accept the present compromise "spread-over" of working hours in the week, and has thereby exposed the illegality of working more than seven and one-half hours a day in a five-day week. The government must act, because the seven-hour day becomes the legal maximum again in July. The Federation has secured the promise of a minimum wage act before then to protect them when hours are cut. A special committee has been investigating the electrification of the British railways and the government is seriously considering its proposals for the electrification of 51,000 miles at a cost of \$2,000,000,000. The committee promised therefrom an annual saving of \$62,500,000 and the additional employment of 60,000 men for twenty years.

The government has been sounding out the chief European governments as to their consenting to a 25 per cent cut in tariffs, but has had not a single favorable reply. The whole situation is, of course, complicated by the proposed Austro-German customs union

and by M. Briand's earlier proposals for economic federation. On April 19 it was announced that a French commercial mission would visit England for conversations about modernizing the commercial treaty of 1882, but wider considerations were expressly excluded. Great Britain is France's best customer, but French sales have been declining steadily since 1928.

IRISH FREE STATE'S DEMAND FOR EQUAL STATUS

The government of the Irish Free State continued its efforts in London to secure complete abolition of the right of appeal to the Judicial Committee of the Privy Council. Its retention is an integral part of the Anglo-Irish treaty which preceded the creation of the Irish Free State, and one alteration in that treaty would be a precedent to the Republicans for another. The British Government was reported to be considering the request and the Irish Government was pressing for an early answer.

President Cosgrave, speaking on May 5 before the Free State Government Convention, stressed the point that this was still the main outstanding question between Ireland and Great Britain. Appeals to the Privy Council from the Supreme Court of the Free State, he said, "are an anomaly and an anachronism. Their continuance is incompatible with the Free State's status and an insult to our dignity and sense of fair play. In the interests of both countries and their better friendship this appeal must disappear and soon."

Finance Minister Blythe's ninth budget, presented in the Dail on May 6, held fewer surprises than had been expected and balanced easily. Mr. Blythe's speech opened with the announcement that, despite the world depression, the taxation yield was considerably in excess of the estimate and that there was a small surplus. The income tax produced \$250,000 more than in the previous year, exceeding

the estimate by more than \$1,250,000, but the liquor tax was disappointing. The net revenue for the coming year was estimated at \$123,305,000 and expenditures at \$131,821,250. The public debt stood at \$146,905,000 at the close of the financial year. The net national debt of \$576,370,000 represented an increase of \$2,000,000 above last year's account because of abnormal charges, but from the standpoint of ordinary exchequer transactions the debt fell by \$1,330,000. To aid agriculture, the Dail was asked to allocate an additional \$3,750,000 toward the relief of taxes for a few years. An additional tax of 8 cents a gallon was placed on gasoline. The customs duty on sugar was raised 2 cents a pound and a tax of 2 cents a pound was placed on home-manufactured sugar. The entertainment tax on talking films was increased from 2 cents to 6 cents a foot. A popular feature was the abolition of the tax on race-course betting. Mr. Blythe predicted a more difficult budget next year and urged drastic economies in government expenditure, but said there were no signs of a catastrophic fall in any direction.

The last of the land acts came into operation on May 1 and presumably won for Mr. Cosgrave the votes of a majority of the 70,000 tenant farmers who shook off the landlords and the 80,000 who will complete the process in November.

CANADIAN AFFAIRS

Nothing occurred during the month which could be said to indicate any conspicuous emergence from the lassitude and waiting which in Canada attend the current depression. It is true that Winnipeg's July prices passed unpegged Chicago's by a fraction of a cent, but the quotations remained near 60 cents a bushel. Parliament celebrated the times by over a hundred speeches on the Address from the Throne. No strong contours emerged from this flood of oratory except reiterated expression of the

depression of the wheat-growing West, and, fortunately, Canada shows signs of having passed the stage, in Parliament at least, of making party capital out of world conditions. Unemployment caused a good deal of concern, and the Prime Minister announced that he favored the creation of a scheme for unemployment insurance. The unemployment fund of \$20,000,000 created during the emergency session of last Autumn provided 4,857,217 days' work for 248,274 persons, as well as some direct relief—a distinctly creditable achievement by any relative standards. An attempt was made to create Opposition capital out of the dismissal on retiring allowance of some civil servants in the Department of the Interior, but as it was consequent on the transfer to the Provinces of control of their natural resources, this necessity was foreseen months ago. The usual seasonal improvement in employment was well under way.

Questions as to immigration have continued to be prominent. On April 10 British Columbia asked Federal assistance in restricting Oriental immigration, and pointed out that in the Province there were 28,000 Japanese and 26,000 Chinese. The latter are declining in number, but in the last five years the former have gained 6,000 by natural increase and 2,270 by immigration. Another significant action during 1930 was the deportation of 4,205 immigrants, 2,864 of them to the British Isles. A good deal of excitement and exaggerated apprehension accompanied reports from the United States immigration headquarters at Manchester, N. H., that a drive was about to begin against aliens in New England. There are said to be about a million French-Canadian immigrants and their descendants there, and, including as they do migratory marine, forest, and farm laborers, it is inevitable that the position of many of them is irregular. Last year about 4,000 returned to Quebec alone and an unspecified number to the Maritime

Provinces, so that a still larger returning movement is expected this year. The number mentioned was 30,000, but officials denied this emphatically. Canada has shared with other countries the consequences of modern international confusion over citizenship following marriage, and the present parliament is asked to provide a common sense substitute for the denationalization of British and Canadian women who have married foreign citizens in Canada. They are to retain their original nationality unless under the laws of their husbands' countries their nationality has been changed.

The long-anticipated crisis in the wood products industry came to a head during April with a cut in the price of newsprint per ton of \$3 retroactively from Jan. 1 to April 1, and of \$5 after May 1. As Prime Minister Taschereau of Quebec pointed out, the current depression has operated to reveal that the expansion and recapitalization which accompanied Canada's rise to leadership in this branch of production were out of line with anything but an expanding market. The Newsprint Institute was set up as a selling organization, but failed to hold all the Canadian companies, and in addition there were powerful competitors in the United States. The industry has recently risen to first place in Canada in gross and net value of products, so that national and provincial anxiety and cooperation have attended efforts to work out a pooling agreement with allotment of percentages of production to all the Canadian plants. A great many difficulties stood in the way of this achievement, and the situation was grave, although a rise in exports in March reduced the first quarter's decline to 17 per cent in newsprint and 33 per cent in pulp.

The final figures for the fiscal year of the Dominion ended March 31, 1931, showed declines of 27 per cent in imports and 28 per cent in exports, which brought about a decline of

\$670,000,000 in foreign trade. These declines were monetary to a considerable degree, as is revealed by the fact that Canada exported 40,000,000 bushels more wheat than in 1929-30, but received \$38,000,000 less for it. The new tariffs in both countries have almost extinguished the trade between Canada and New Zealand. It is impossible as yet to get any clear picture of the fundamental consequences of the tariff war between Canada and the United States.

An event of distinct constitutional importance took place in the Federal-Provincial conference at Ottawa on April 7 and 8. The statement of the Prime Minister concerning its findings was a commentary on the treaty character of Canadian federalism. The new British statute of Westminster, which is to embrace the recommendations of the Imperial Conferences of 1926 and 1929 as to the equal status of the United Kingdom and the dominions, is to be qualified by making it necessary, in order to amend the Canadian Constitution, for a practically unanimous request to go from Canada to the British Parliament. It is feared that, if Canada could amend her own Constitution, a party triumph in Parliament might result in legislation offensive to the French Canadian and Roman Catholic minorities. To them the British North America act is a charter of special liberties. The statement follows:

The interprovincial conference, which was convened yesterday to consider the terms of the proposed Statute of Westminster, adjourned today. It was agreed by the conference:

1. That the status quo should be maintained in so far as the question of repealing, altering or amending the British North America act was concerned, and that definite safeguards should be inserted in the proposed Canadian section of the Statute of Westminster to ensure that no powers would be conferred on that statute in this respect.

2. That provision should be made that, except as to the provisions of the British North America acts, the colonial laws validity act should no longer apply to acts of the Parliament of Canada,

nor to acts of the Legislatures of the Provinces.

The Prime Minister stated that at some future date a constitutional conference would be convened at which representatives of the Dominion and of the Provinces might consider the conditions upon which the provisions of the British North America acts may hereafter be amended or modified.

The final drafting of a new section to be inserted in the proposed Statute of Westminster was submitted at this morning's session, and its purport was generally approved, but its final acceptance was deferred for two weeks in order that representatives of provincial governments might have an opportunity to consult their colleagues with respect thereto.

The Prime Minister has announced his tentative plan for taking advantage of the present low money rates for a very large conversion operation. Some \$1,083,000,000 in loans maturing in 1931-1934 are to be offered in long-term conversion.

AUSTRALIAN ECONOMIC CRISIS

The progress of the several critical situations in Australia has made possible some generalizations, but it should not be forgotten that at bottom Australia is in the throes of a very grave general crisis and no clear way out of her financial difficulties has yet been indicated. Actually the excitement over debt repudiations by New South Wales has tended to obscure the fact that no one knows how to get the Federal Government and Australia generally out of the present morass of difficulties.

At the end of March the Labor party (which was in power) had summoned up courage to repudiate the repudiating Premier Lang of New South Wales and his followers. That left the party badly divided but, as Mr. Lang disclaimed Federal ambitions, Mr. Scullin, the Federal Prime Minister behind whom Mr. Theodore, the treasurer, was working, could be sure of a majority in the House of Representatives. The Opposition was also divided into two self-conscious parties, the Nationalists and the

Country party. There were marked evidences of separatism in the States and secession movements appeared in Western Australia, Queensland, and in two different districts of New South Wales. The Senate had an Opposition majority and Mr. Theodore's policy was to invite a disagreement, so that if the government could manage to get along until July there could be a double dissolution with its chances for Labor in both houses.

It was into this situation that on March 27 Mr. Lyons, the former Acting Federal Treasurer, precipitated himself. While Mr. Scullin was at the Imperial Conference Mr. Lyons earned a substantial reputation by his defense of his leader and his refusal to countenance repudiation or inflation. In a speech in Melbourne on March 27 he made an eloquent appeal for non-party government and outlined a program of retrenchment and reform. This secured informal endorsement from both Opposition parties, and he followed it up with a speaking tour. In a speech on April 13 he appealed to Australia and Great Britain to make "honest government" possible by lowering the interest rate on the debt. This plan was fortunate in securing the attention of J. H. Thomas, the British Secretary of State for the Dominions, who announced on April 15 that for three years Great Britain would cut the rate to that paid by her to the United States, thus effecting a saving to Australia of \$8,000,000 a year. Thereupon the movement behind Mr. Lyons became most impressive, and on April 17 the Nationalists, accepted his leadership, Mr. Latham agreeing to make way for him.

The course of other events fitted into the pattern. On April 17 the Senate rejected Mr. Theodore's compromise inflation project, the fiduciary notes bill. The same day the Commonwealth Bank announced that it could honor no more government overdrafts. On April 21, in spite of a vigorous advertising campaign, the New

South Wales Savings Bank closed its doors, following the run which was caused by alarm at Premier Lang's radical policies and by the fact that loans of \$150,000,000 to New South Wales stood against its \$350,000,000 of deposits. On April 28 a law was passed by which it was taken over by the Commonwealth Savings Bank. On the same day Mr. Lang repudiated, this time in New York as well as London, a second payment of interest on his State's indebtedness. Once more the Commonwealth government assumed the responsibility.

A general election cannot be forced on Mr. Scullin by the Senate before July 1, but in view of the distress among the farmers and the weakened financial situation of the government, it was doubtful whether the government could last until then. The Federal Loan Council, at its meeting on April 25, did not go beyond the aim of balancing the budget by July 30, 1934, although it initiated measures to lower interest rates and to float a \$60,000,000 internal loan.

New South Wales gave up its extremist "three-year plan" on April 6. On March 30 the full Commonwealth Arbitration Court established a 10 per cent wage cut for over forty trade unions, began the consideration of others, and refused several requests for increases from previous cuts.

HINDU-MOSLEM CONTROVERSY IN INDIA

As the hot season approached, optimism as to Indian affairs evaporated considerably. The root of the trouble was the everlasting communal problem. Gandhi's committee reported that the Cawnpore casualties amounted to 500 deaths and, in his nervous reaction after Karachi, Gandhi was not only depressed but impolitic. It was tragic enough for him to have to say on April 11, "I have tried my utmost for permanent peace but I find nature against me," and to announce later that he would put aside all thought of the Round Table

Conference while he prayed for Hindu-Moslem peace. Yet his remark that civil war was preferable to the humiliation of having the British keep the peace, "even if one community disappears," was the kind of tired comment which the Moslems coupled with his curtness to Moslems at Karachi, and led them to fear dictatorship—that home rule would mean Gandhi rule. At any rate, the secretary of the All-India Moslem League issued a statement in reply to Gandhi's which said that it "in some respects does not differ from the outbursts of a third-rate, sun-dried bureaucrat, while in other respects it reaches the high-water mark of sheer humbug." The League is a far more representative body than the Nationalist Moslem group and its members seemed as hopeless as Gandhi, at the same time as they feared the consequences of his resignation to inevitable trouble. Lord Irwin's parting advice to India was that the Hindus ought to err, if anything, in generosity to the minorities, for otherwise domestic peace was impossible. The sole cause for comfort was that Gandhi's triumph at Karachi meant that the Congress, which two months before resolutely boycotted negotiations in London, had committed itself to the new conference and its members were actually studying the Lon-

don proposals. This was to the credit of both Indian and British statesmanship. Gandhi, who was to have headed a delegation of twelve, now proposed to go as sole Congress delegate, with six or eight "advisers," while the Congress working committee remained to supervise India.

The Earl of Willington, the new Viceroy, arrived on April 17, and Lord Irwin departed on April 19, just as the difficulties of keeping the New Delhi truce were becoming apparent. Gandhi used the occasion of saying good-bye to Lord Irwin to present a long list of failures on the part of the government to live up to its agreement. Inasmuch as a British magistrate was shot and killed in Calcutta on April 8 and "violent" attacks were being made on toddy merchants, with the cutting down of toddy-palms and the burning of booths, all the failures were not on one side. Moreover, Patel was making inflammatory speeches to the effect that the truce must be a preparation for war, and the Red Shirts were misbehaving themselves. Affairs were very tense and they were not relieved by the volley of abuse from the Congress press at the departing Viceroy. Another cause for depression was the decline in 1930 of 25 per cent in the volume of Indian trade, carrying it down almost to the 1913 level.

The French Presidential Election

PAUL DOUMER, President of the Senate, was elected President of the French Republic on May 13 on the second ballot, by 504 votes to 334 cast for Senator Marraud. Foreign Minister Briand withdrew from the contest after the first ballot, in which he received only 401 votes to M. Doumer's 442.

Gaston Doumergue, who was elected to the Presidency on June 13, 1924, began winding up his term of office

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by making during the Parliamentary recess the last of his official journeys. During the first two weeks of

April he went to Tunis to return the call made to him last July by the Bey Ahmed Pasha and to celebrate the fiftieth anniversary of the establishment of the French protectorate. Landing at Bizerte, the naval base, he was received with great pomp at Tunis, the capital, by the Bey, who expressed the gratitude



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of his country for the civilizing work done there by France.

Everywhere French officials and colonists, native caids who addressed him in their tongue, representatives of the various tribes, greeted the head of the Republic with genuine enthusiasm. Parades of French and native troops, "fantasias" by Tunisian horsemen, banquets, expositions of the various agricultural and industrial products of this prosperous land, everything was done to display before President Doumergue the results of fifty years of peaceful and fruitful administration. As former Minister of Colonies, M. Doumergue was able to appreciate here, as he did last Spring in Algeria and Morocco, the natural splendor and the economic value of this North African empire begun in 1830 and completed less than a hundred years afterward. He paid, in the little town of Ferryville, named after Jules Ferry, a tribute to the statesman who, in 1881, added Tunisia to the French domain and who suffered during his lifetime the hostility of the radical and reactionary opposition and the ingratitude of a large section of the French nation. Today, however, the name of Ferry is given to streets and boulevards, and

his statue greets the passer-by in places where forty years ago he was hooted by angry mobs.

M. Doumergue at the end of his seven years of Presidency can feel assured that he leaves his office after winning and keeping the confidence and affection of Frenchmen of all parties, a feat that few of his predecessors achieved to the same degree. His final political pronouncement in the speech he delivered at Nice before sailing for Tunis on April 9 gave his popularity a last impetus. While the President is not expected to commit himself on contentious questions of internal politics, tradition and precedent allow him, as the representative of France, to express his views on foreign affairs. So he felt obliged, in that address, to stress again the cardinal points of French external policy. First, he deprecated anew the accusation of imperialism still heard in some quarters: "Our patriotism is not aggressive. It endangers no one. It does not tend to raise France above other countries in forcing on them its hegemony." Then he stressed the French conception of the rôle of the League of Nations, to which he stated that France "is faithfully attached," reminding his audience, however, that as long as it has not "at its disposal a sufficient military force to impose its decisions on those not willing to accept them spontaneously, she must remain on her guard and count on herself alone." Finally, the most striking passage of the address was the one in which he referred to the proposed Austro-German customs union, which he called "a sudden event of which it is not possible to ignore either the present importance or the future consequences."

Premier Laval took occasion likewise, before the reconvening of Parliament, to voice similar feelings in the name of the government in a speech delivered at La Courneuve, near Paris, on May 3. He also expressed what he called the "profound bitterness" with which France learned

of the Austro-German accord after all the steps she had taken for the strengthening of peace and the reconciliation of nations. He added: "We must demand respect for treaties because they remain the surest guarantee against war," emphasizing, moreover, the fact that peace cannot be solid and durable unless it is founded on a system of agreements between the producing and consuming nations, which of itself would ease the political atmosphere and thereby facilitate extending financial assistance to peoples in need. This plea for an organization of economic relations contained a distinct reference to the plan of European reconstruction which M. Briand was working out to place before the Council of the League of Nations. By this plan, which is to assure a better exchange of manufactured goods for raw and agricultural products, M. Briand expects to offset the dangers seen in the Austro-German customs agreement. He expects likewise to meet the objections he foresees in the interpellations that are designed to crystallize the hostile sentiment whipped up against him and his policies during the last months by the spokesmen of nationalism in the press and in the country. The Minister of Foreign Affairs has so often, when face to face with his opponents, succeeded in silencing them through his skillful parliamentary manoeuvres and the magic of his eloquence that his friends seem justified in expecting the renewal of that miracle. Events in the Chamber on May 8 bore out their confidence, when M. Briand received overwhelming support in three votes of confidence. This constituted a mandate to him to bring to bear at Geneva the full power of his opposition to the Austro-German customs union and the full weight of his influence in favor of his rival, substitute plan. This time, however, it was not merely his future as the head of French foreign policies but his chances in the Presidential election that were at stake. M. Briand finally consented

on May 11, two days before the election, to become a candidate for the Presidency, at the urgent invitation of a large group of Senators and Representatives of all parties. Certainly this decision was a great personal sacrifice, and probably it was also a sacrifice of his political fortunes, for his election would take him out of his beloved political arena.

In France there is, until the days preceding the election of a new President, no concerted action, nothing that even remotely resembles an American Presidential campaign in favor of any candidate. The electorate is limited to the members of the Senate and Chamber of Deputies convened in joint session as a National Assembly, and therefore the general voters have no voice in the election. As there is hardly any other issue than the personality or the availability of the man who will have to play for seven years the rôle of a constitutional monarch, questions of fitness for the position outweigh generally all political considerations.

The International Colonial Exposition of Paris was inaugurated by President Doumergue on May 7. Prepared for several years under the direction of the great colonial administrator Marshal Lyautey, it is intended to give a complete bird's-eye view of the French colonial empire as well as specimens of the colonial activities of other nations. France has transported natives of all her colonies who will, during six months, live in surroundings similar to those of their country and give visitors as exact an idea of their habitat as it is possible to produce. Besides the mere local color the exposition presents a complete exhibit of all the diversified production of France's huge empire of 5,500,000 square miles. To attract a large number of foreign visitors the visa formalities have been reduced to a minimum and the Paris tax on tourists has been abolished.

Air Minister J. L. Dumesnil, for-

mer Minister of the Navy, made between April 5 and April 28 a sensational air trip over Northern Africa to visit the flying fields of the French African possessions. Piloted by Captain Dieudonné Coste, M. Dumesnil crossed the Sahara Desert from Reggan to Gao, flew most of the length of the Niger and Senegal Rivers and returned along the coast line. When he alighted at Le Bourget on April 28, after this 9,315-mile flight, M. Dumesnil was solemnly received by the members of the government and a delegation of the best known aviators, while a regiment of infantry paid him military honors. As a result of this expedition, M. Dumesnil expects to improve the commercial airways in Africa, marking in particular the road across the desert by a series of red towers so that aviators will be able to make the crossing without going astray.

Edouard Herriot, whatever else he may think of the defects of democracy, cannot complain of the ingratitude of his own constituency. After resigning both as municipal councilor and as Mayor of the City of Lyons, he was re-elected on April 19, in a strong Socialist ward, member of the council by 8,881 votes, defeating the Socialist candidate nearly seven to one and all his opponents by more than 2,747 votes. When the council met again on April 26 he was re-elected Mayor twice, first with a majority of two votes, which he refused to accept, and then by a vote of 39 to none, thirteen Socialists joining their votes to those of the Radicals. This incident does not only show the persistent popularity of M. Herriot but also the possibility of another cartel, at the general elections of next year, when, as in 1924, the Radicals and the Socialists may join their forces against the conservatives.

EVENTS IN BELGIUM

Brussels had a strike of newspaper typesetters of the kind that Paris enjoyed in 1919 at the time when the

news of a general election had to be printed in a single combined edition of the papers of all parties. The conditions under which this strike was declared called for the censure even of *Le Peuple*, the Socialist organ. It started in the midst of negotiations when the collective contract signed with the publishers was not to expire before June 30. The workers asked a reduction of the week to forty-two hours and an increase in wages and vacations with pay. The newspapers managed, nevertheless, to print their issues by reducing the number of pages, printing fewer editions and indulging in a greater number of typographical errors. In one paper, abandoned by the whole working force, the editors did the printing themselves.

The Belgian Congo is passing through a serious economic crisis. M. Charles, a delegate of the Ministry of Colonies, sent on a tour of inspection, returned with an elaborate plan of reforms that must be immediately carried out. General Pilkens, the Governor of the Congo, has been recalled to confer with the government on the measures that seem most urgent in the circumstances.

Belgium has also felt the necessity of defending herself against the influx of foreign labor. By the terms of a royal decree, every application for permission to work in Belgium must be made out in conformity with a prescribed form and be accompanied by an individual labor contract visaed by the Industry, Labor and Social Welfare Department at Brussels, and a certificate of good conduct, life and character.

Belgian students staged several manifestations directed against the Italian Government to protest against the arrest in Milan, on April 10, of Leopold Moulin, a young secondary school professor, accused of having served as an intermediary between anti-Fascist elements in Italy and in foreign countries. According to Italian procedure he is to be judged by

a special tribunal created for such cases. As Moulin, a former student at Bologna, is still a graduate student at the University of Brussels, the Belgian University Federation of Students sent a protest to the International Students' Federation and a meeting was organized by students and addressed by Senator Louis de Brouckère in which "guarantees that obtain in all free countries" were asked for Moulin. The Italian Embassy and Consulate had to be protected against a parade of several thousand young men who voiced their protest in the usual manner. The Fascist students of Italy answered by similar manifestations in Rome and stated in reply to the Belgian complaint that Italian justice is adminis-

tered by honest and independent magistrates.

Belgian trade with the Soviet Union shows a steady gain in recent years according to figures published in Antwerp, the principal Belgian port trading with Russia. The number of ships which entered Antwerp in 1930 was 142 as compared with 105 in 1929 and 22 in 1927. In the first nine months of 1930 Russia bought \$6,000,000 worth of goods as compared with \$700,000 worth in 1926. The articles bought in Belgium were nickel, zinc, antimony, copper, leather, chemical textile and stone-cutting machinery and cinema films. During 1930 Russia sold to Belgium 200,000 tons of grain, 400,000 tons of naphtha and large cargoes of wood.

Austro-German Trade Plans

THE proposal for an Austro-German customs union is now receiving somewhat less excited consideration than was the case in the weeks following its first announcement. Politicians, diplomats, economists and business men were waiting to see how the Council of the League of Nations would deal with the thorny problem when it met on May 18. The Council was sure to find it very difficult to avoid giving serious offense to one group or another—to the Germans and the Austrians if it found objections and obstacles to the proposed customs union, or to France and the Little Entente if it failed to thwart the proposal which is regarded by Germany's neighbors as the removal of the first stone in the present European structure created by the treaty of Versailles.

Meanwhile, various substitute or counter-proposals to the Austro-German plan were actively discussed. Representatives of the Little Entente, meeting at Bucharest, are reported to

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have considered the building of a customs union among themselves as a counter-weapon to that of the

Central Powers. The Little Entente representatives are also reported to have urged France and Great Britain to see to it that The Hague Tribunal should decide whether the projected Austro-German customs union violates existing treaties.

M. Briand likewise was considering whether he could not make a satisfactory counter-stroke by some kind of a general economic agreement by which the agricultural States of Eastern Europe could be enabled to sell their grain more easily in return for the manufactures of the industrial States. France is also reported to have hastened the conclusion of large loans of money to Czechoslovakia and to Yugoslavia, which might not be without influence on these States in the discussions of the customs union problem.

Austria on her part concluded an ingenious trade treaty with Hungary



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and Italy, which, it was reported, would go into force on July 1. It aimed to facilitate trade between the two halves of the former Habsburg Monarchy and Italy, while at the same time circumventing the most-favored-nation principle. The origin of the treaty was a demand by the Austrian farmers for greatly increased protection, which could not be refused for political reasons, but which Hungary threatened to counter by raising the duties on Austrian industrial products. As the granting of preferences either to Hungarian grain exporters or to Austrian industrial exporters would mean the extension of the preferences to all the countries with which either State has most-favored-nation treaties and thus the virtual nullification of tariff increases, a way out was sought by a system of bounties or credit-rebates. The discount rates on trade bills in these two countries are very high, from 8 to 12 per cent higher than the bank rate. The two countries therefore proposed, for fixed amounts of named products, to pay back to the exporter the difference between the bank rate and the discount rate. Hungary would do this for its exporters of grain to Austria, and Austria for its exporters of manufactures to Hungary, while the governments

would derive money for these rebates from the increased rate of tariffs charged on each others' goods. In effect the Hungarian Government would grant a tariff rebate to the Austrian exporter and vice versa, since at the end of the year the balance between the total credit-cheapening payments of both countries would be calculated and defrayed, theoretically at least, by the country which had paid its exporters the smaller amount. Actually the difference between the two amounts is estimated to be inconsiderable and would probably be passed on to the following year. These same principles were said to be applied to the trilateral pact with Italy.

THE HITLER PARTY

Following the recent revolt of Walter Stennes and his supporters against the alleged weakness and moderation of the National Socialist party organization, Adolf Hitler expelled 900 opponents from the Berlin section of the party. Similar action is expected in other sections of Germany. This internal quarrel, however, did not weaken the party in the elections on May 3 to the Provincial Legislature in Schaumburg-Lippe, the smallest State in the German Republic. On the contrary, the "Nazis" increased their vote as compared with the Reichstag election of last September by amounts varying from 25 to 35 per cent in the different towns, their gains being made at the expense of the middle parties. Similarly, the Communists made considerable gains at the expense of the Social Democrats. The latter made the political mistake of urging union with Prussia, which entirely surrounds the little State, and local patriotism rose in wrath. "Schaumburg-Lippians, your country is in danger!" was the text of one of the posters which brought out the farmers, handicraftsmen and little shopkeepers in swarms to prevent merging with the great State of Prussia, which is largely controlled by the Social Democrats.

The constitutional initiative for the dissolution of the Prussian Legislature, inaugurated on the petition of the Steel Helmet War Veterans' League, appears to have been successful in securing about 5,000,000 signers, or the requisite number of one-fifth of the voters in Prussia. This means that the Prussian Diet must decide whether to dissolve itself or to call a referendum, thus prolonging the fight of the Conservative opposition against the Socialist-Centrist Coalition Government. Although the voluntary dissolution of the Diet in the Autumn was recently considered in political circles in order to separate the Prussian elections from the Presidential election in 1932, it is probable that the Diet will call a referendum in order to avoid the impression that it is yielding to the pressure of the Opposition, particularly as it would not be risking anything, as there is little doubt that the Opposition would not be able to muster the 13,000,000 Prussian voters necessary to carry the referendum. The parties supporting the Steel Helmet candidates polled only about 10,000,000 in the last Reichstag election. The real purpose of the referendum is to prevent the Legislature from automatically extending its legislative period by raising in advance a powerful dissenting voice. This the Opposition has undoubtedly accomplished by its success in securing the required minimum for the initiative petition. The largest vote for the initiative was polled in the eastern agrarian districts, the government parties taking this as evidence of the "terrorism exerted by the big landowners," and the Opposition declaring that this region is the chief sufferer from the anti-agrarian policies of the Socialist-Centrist Coalition and from the régime of officeholders appointed on account of party affiliations rather than competence.

Chancellor Bruening declared on May 10 that Germany will not ask

for revision of the Young plan until she has set her domestic affairs in order. Germany's greatest need is to practice rigid economy and to put an end to borrowing, he said, concluding: "Whoever thinks the government would be successful in negotiations for a reduction of foreign debts, before putting its own house in order, is greatly mistaken."

The city of Berlin, having been without a Mayor for nineteen months, put an end to its municipal disorganization on April 14 by electing Dr. Heinrich Sahm to the office of Mayor. He fills the place which became vacant when Dr. Gustav Boess was forced to retire on account of charges of inefficiency and graft on the part of his family after his return from a visit to the United States in the Autumn of 1929. Dr. Sahm was for ten years president of the Free City of Danzig, whose affairs he skillfully conducted. He further enjoys the distinction of being six and a half feet tall, and with the inevitable politician's silk-hat towers seven feet in the air, being familiarly known as "Long Henry."

President Nicholas Murray Butler of Columbia University has announced the re-establishment of the Roosevelt Professorship in Berlin. This was founded in 1906 and continued to be filled by distinguished Americans until the World War. The new incumbent will be Professor Frederick E. J. Woodbridge, who will offer lectures and a seminar in philosophy at the University of Berlin.

A dispatch from The Hague, dated May 7, states that Jonkheer B. C. de Jonge, who in 1918 was War Minister in the ad interim Dutch Cabinet of Cort van der Linden, has been nominated to be Governor General of the Dutch East Indies. When the Cabinet resigned in 1918 Jonkheer de Jonge became manager of the Royal Dutch Petroleum Company and afterward a member of the board of directors.

Italy's Progress in Education

THE seventh annual census of the Italian population, made public in May, contains many interesting matters, especially the results of a special inquiry into the state of public instruction. From this it appears that the attack on illiteracy is increasingly effective. Whereas 17,000,000 out of a total population of 22,000,000 were illiterate in 1861, only one-fourth of the adult population of today can be so classed. The Fascists have intensified the fight against illiteracy, especially in the elementary schools, by increasing the educational budget by nearly 50 per cent and by a more rigorous enforcement of the compulsory education law, increasing the number of children in the schools from 3,200,000 in 1924-25 to more than 4,300,000 in 1930.

The relations with the Vatican have been a little clouded by an open letter from the Pope to Cardinal Schuster, Archbishop of Milan, published in the *Osservatore Romano*. In his letter the Pope criticized certain tendencies of Fascist policy, particularly a speech by Deputy Giurati, the secretary of the party. The Fascisti are accused of "inspiring irreverence and hate" in youth, "rendering almost impossible the practice of religious duties." The "public exhibition of female athletes whose impropriety and dangers even pagans realized" is severely condemned. In all spiritual matters, the letter declares, the Church must be supreme. The Fascist press, on the other hand, denounces the Catholic Action Group and the activity of the Church in politics. Of especial interest to Americans is the recognition given by the Pope to the work of Cardinal Mundelein for his work in behalf of the College for the Propagation of the Faith.

By ELOISE ELLERY

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In its foreign relations the government continues to draw closer to Great Britain, joining with that power

in rejecting the French proposal on naval tonnage. Along with this is an apparent rapprochement with Austria and Germany and constant attacks by Fascists on what they describe as the militaristic policy of France. They point to the enormous credits for armaments extended to Yugoslavia, Rumania and Poland, and publish detailed statements of the formidable military equipment furnished to these countries through the Zoka works of Bohemia, which have taken the place of the Krupps and which are in close cooperation with the Creusot works of France. In the meantime irredentism is again active in demonstrations in Gorizia for the annexation of the rest of Dalmatia.

An incident that has aroused much criticism in Belgium was the arrest of the Belgian Professor Leopold Moulin, charged with plotting against the Fascist régime and remanded for trial before a special military tribunal for defense. Several thousand Belgian students marched to the Italian Embassy in protest, while 10,000 Italian students in Rome staged a counter-demonstration. In the meantime, the arrest of Signor Albasini, the former head of the Bar Association of Milan, with his son and friend, showed that the Fascists are ever watchful.

ROYALIST RIOTS IN SPAIN.

Anti-monarchist and anti-religious riots began in Spain on May 10 and resulted on May 12 in a declaration of martial law. This was the first serious disorder following the overthrow of the monarchy (see pages 321-325 of this magazine). The trouble began when Marquess Luca de Tena, owner of the Monarchist newspaper *ABC*,



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addressed Monarchists in Madrid and urged them to direct their whole strength in the June elections toward bringing back the King. Republican rioters attacked the Marquess and other nobles in the street and beat them severely. Monasteries, convents, churches and Jesuit headquarters in Madrid and six other large cities were attacked and burned, with an estimated damage of \$5,000,000.

These riots followed several days of strained relations between the new Republican Government and the Church, in which alleged conciliatory overtures from the Vatican had been of no avail. Like the Marquess Luca de Tena, Cardinal Segura, Archbishop of Toledo, addressed his fold, in this case the Spanish Church, urging all Catholics to vote for Deputies "who will defend and guarantee the rights of the Church." Fernando de los Rios, Minister of Justice, lodged a protest with the Papal Nuncio, virtually demanding the recall of the Archbishop, who was at once summoned to Rome for a conference. Feeling was greatly intensified on May 8 by a governmental decree abolishing compulsory religious education in the public schools of Spain.

A flurry over Moroccan affairs likewise occurred on May 3, when

Royalist troops at Tetuan engaged in sharp street fighting with Republican troops. It was reported that the Royalists there were supported by a general strike of Moorish workmen. In the fighting only two were killed, and the Colonial Department minimized the seriousness of the outbreak.

President Zamora received assurances on May 7 that Catalonia (see pages 330-334) would peacefully await a decision by the Cortes as to the future status of the province.

One of the most interesting of the diplomatic appointments made by the new government is that of Salvador de Madariaga to be Ambassador to the United States. He is among Spain's leading men of letters, has been head of the disarmament section of the League of Nations and Professor of Spanish Literature in the University of Oxford.

TROUBLES OF THE PORTUGUESE DICTATORSHIP

The insurrection in Madeira which began early in April was effectively crushed before the end of the month by the formidable Portuguese military and naval forces rushed to the island from Lisbon. Subjected to a vigorous bombardment by land, from the sea

and the air, the insurgents surrendered unconditionally.

On the whole the incident has been placed somewhat out of perspective in the news, for the entire population of the little island of 314 square miles, one of the earliest of Portugal's numerous outposts, is less than 180,000. The significance of the uprising lies rather in the evidence of discontent with the dictatorship and the desire for autonomy not only in Madeira but also in the Azores, where insurrections also developed.

No sooner was Madeira quiet than word came to Lisbon on May 4 of a revolt in Portuguese Guinea, on the west coast of Africa. This colony, with a population of 450,000, had been governed by a military force of only 412 men, of whom 377 were natives. The revolt had occurred two weeks before news of it was brought by the escaped Governor in person to Lisbon. The naval forces then at Madeira were ordered at once to Africa, and on May 7

were reported as having restored order.

When the old monarchy was overthrown and the Republic proclaimed in 1910, a Constitution was adopted which provided for a Parliament of two houses and a President chosen by them for four years. In 1926 the elected government was overthrown. Parliament was dissolved for an indefinite period, and a military-civilian directorate, under General Antonio Oscar de Fragosa Carmona as President, was set up. Dissatisfaction found expression at different times. Last month signs of unrest in Lisbon, added to the insurrection in the islands, aroused considerable anxiety, and the government announced a plan to modify the dictatorship. Lopez Mateos, Minister of the Interior, promised a new administrative code early in 1932, an electoral reform in the near future with suffrage for both sexes, and elections in October for a Parliament to which is to be entrusted the drafting of a new Constitution.

Rumania Under Fascist Premier

THROUGHOUT the month of April self-government in Rumania hung in the balance,

with dictatorship constantly in the offing; and this not because of any overpowering situation such as made dictatorship inevitable, if not also justifiable, in Poland, Yugoslavia and Italy, but only because of dubious attitudes and policies on the part of a youthful monarch whom the country had welcomed back from exile only a few months previously. The resignation of the Ministry on April 4 was precipitated largely by the King's refusal to accept any one of the various persons suggested by Premier Mironescu as successor to an unpopular Minister of Commerce who had surrendered his portfolio, and it was the

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King who decided that his friend, Nicolas Titulescu, the Rumanian Minister to Great Britain, should be recalled

to Bucharest to form a concentration Cabinet, embracing representatives of all parties, or, if that should prove impossible, a "Cabinet of personalities," organized without reference to parties and on frankly dictatorial lines.

Arriving in Bucharest on April 9, Titulescu entered upon a week of feverish negotiation with the various party leaders. From the outset it was clear that unless he could persuade the National Peasant party, commanding three-fourths of the Parliamentary votes, to accept representation in the proposed coalition government, he would have no alternative to



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relinquishing the task of Cabinet-forming to some one else—except, of course, to make up a non-party government and rule, in dictatorial fashion, without Parliament. Every effort was, therefore, put forth to win over the National Peasant leaders—in particular, Dr. Julius Maniu, who on April 10 returned from self-imposed exile in Paris to handle his party's affairs in the crisis. After some days' delay, success in this direction was attained, and on April 15 the formation of a concentration Cabinet was announced in the press. In the meantime, however, trouble developed in a different quarter. Three of the lesser parties, led by George Bratianu, Dr. Lugu and General Averescu respectively refused to participate, and on April 16 Titulescu handed his resignation to the King.

The next steps are involved in a good deal of obscurity. According to the most authentic reports, the sov-

eign asked Titulescu to try again, with a view only to forming a government that could hold a Parliamentary election, and a list of Ministers was prepared and approved. Something, however, intervened; overnight, the King changed his course, and when, on April 18, a new Ministry actually emerged, it was headed, not by Titulescu, but by King Carol's former tutor, Professor Nicholas Jorga. In most quarters, the Jorga Government was regarded as a mere stop-gap, and it was widely construed as definitely opening the way for a dictatorship such as the King and a court camarilla have been suspected of desiring for months. On April 24, Professor Jorga, however, publicly scouted the idea that his government was merely provisional, and five days later King Carol assured a delegation from the press of the Little Entente that he had always been opposed to a dictatorship and that the Constitution would not be violated.

On April 30, after a brief special session in which no opportunity was given any one except Premier Jorga to speak, Parliament was dissolved by royal decree. No request for a vote of confidence was made. The decree of dissolution fixed June 1 and 4 as the dates of election of the Chamber and Senate, respectively, and June 15 as the time for the assembling of the new Parliament. The session broke up amid demonstrations of hostility toward the Premier and his government, particularly on the part of the National Peasant majority.

The Jorga Government announced on May 2 that it would present an election list of "national unity" at the general elections on June 1. The representatives of non-political professional organizations were to receive 60 per cent of the mandates, while the remaining 40 per cent would fall to those parties which made an election agreement with the government. Apparently the Jorga Government was preparing to elect a new Parliament along semi-Fascist lines.

As a result of the restriction of election meetings to Sunday and of election propaganda, the election preparations of the National Peasant party were rendered very difficult.

The same day that the Jorga Government made this announcement concerning elections, King Carol, accompanied by the Premier, visited Temesvar in Transylvania to participate in some municipal festivities. The next day it became known that during his visit he had met King Alexander of Yugoslavia on board the latter's yacht on the Danube. It was generally believed that King Carol was seeking advice and encouragement from his royal brother-in-law regarding the establishment of a strong-arm régime in Rumania.

CZECHOSLOVAK FOREIGN RELATIONS

For some time Czechoslovakia's uppermost interest has been the thorny matter of central and Eastern European trade relations. In the first week of April a new commercial treaty was concluded with Yugoslavia; negotiations for a trade convention with Austria, abruptly abandoned when the projected Austro-German customs union was announced, were resumed at Vienna, and a deputation was appointed to draw up a commercial treaty with Greece to replace the existing most-favored-nation treaty.

Of greatest concern, however, has been the proposed Austro-German pact. In one speech after another Foreign Minister Benes has denounced the scheme with all the vigor at his command, partly on the ground that it cuts across all larger plans for general European cooperation, but especially on the score that, while purporting to be purely commercial, the contemplated union would prove at least as largely political as economic, would lead inevitably toward the long-discussed *Anschluss* of Germany and Austria, and would divide all Europe into two camps. As a positive counter-

proposal, M. Benes suggested, in an address before the Foreign Affairs Committee of the Czechoslovak Parliament on April 23, a scheme based on adherence to the most favored nation principle, with preferences for European agricultural countries extended by European industrial nations. Prediction in some quarters that the often-proposed idea of a Danubian economic confederation would be put forward as an alternative has not been fulfilled, presumably for the reason that such a union would, by bringing the succession States closer together, tend to rehabilitate the old Habsburg domain. In point of fact, M. Benes has striven for years to convert the political Little Entente into an economic unit, but has been frustrated by Rumanian and Yugoslav indifference, flowing chiefly from the consideration that Czechoslovakia does not offer a sufficiently large market for the farmers of the two affiliated States.

Although not to be issued until later in the year, a French loan of \$50,000,000 to Czechoslovakia was announced in Paris on April 23. A portion of the loan will be reserved for other European markets. Part of the money will be used for treasury needs, which a recent internal loan of 1,300,000,000 crowns (\$38,532,000) did not entirely meet, but the main object in view is the conversion, in May, 1932, of a British 8½ per cent loan dating from 1922. The announcement of the new loan so far in advance was widely construed as a gesture emphasizing the solidarity of French and Czechoslovak policy in the face of the threatened German-Austrian rapprochement.

FRENCH LOAN TO POLAND

The all-absorbing topic of the month in Poland has been the Upper Silesia-Gdynia Railroad and the pending arrangements with French capitalists looking to its completion. The new Polish Republic found itself ten years ago fairly well equipped with east and

west lines (built in the old days by Russia, Prussia and Austria mainly for strategic purposes), but sorely in need of a great north and south line connecting the mining areas of Silesia with the sea. The building of such a road was started years ago out of the State's railroad revenue; but progress was slow, and after the economic depression became acute little was accomplished. The need, however, was as keenly felt as before; and foreign capital was sought. The upshot was an agreement concluded early in April, under which a Franco-Polish railroad company, with the aid of \$40,000,000 furnished by a consortium of French banks, undertakes to complete the road in three years. Like other railroads in Poland, this line and its rolling stock will be the property of the State. The company will hold a first mortgage until the forty-five-year concession terminates. The road will have strategic as well as economic importance, which, of course, adds to France's interest in it. The port of Gdynia, it may be added, was itself built by a French group. A special session of the Sejm called to validate the arrangement brought out sharp differences of opinion. All parties except the government bloc opposed the plan, both as involving a heavy financial burden upon the country and as incompatible with national dignity and independence; but from the first there was no real doubt that the government would have its way, as it did on April 25. Controversy arose, too, over the demand of the Opposition that other subjects—especially unemployment and the agrarian crisis—be admitted to the agenda of the session. All efforts in this direction, however—including a motion of no confidence—came to naught.

At the middle of April Henry K. Strassburger, Polish Commissioner to Danzig, offered his resignation as a protest against the alleged maltreatment of Poles in the Free City and the reported hostility to Poland of

Danzig's government and especially of the president of the Senate, Dr. Ziehm. The resignation, however, was not accepted; and a semi-official statement in the *Gazetta Polska* on April 27 denied that the Warsaw government had ever intended, as had been charged, to send Polish armed forces to Danzig, or had ever asked Count Grawina, the League of Nations High Commissioner in the Free City, to have Polish police admitted there for the protection of Polish citizens.

ANNIVERSARY OF BETHLEN'S PREMIERSHIP

Count Stephen Bethlen, refusing to permit the Hungarian people to celebrate the tenth anniversary of his assumption of the Premiership, celebrated it himself on April 21 by making a speech at a dinner in his honor in which he boldly challenged the entire existing European international order as established on the basis of the peace treaties. The address was broadcast widely, and suffered nothing in intensity from the knowledge of the speaker that it was being heard by thousands of Hungarians cut off from their motherland by enemy decree. Reviewing the political and economic history of Europe during the decade, the Premier asserted that the post-war settlement has utterly failed and that a new orientation is bound to come—one that will bring Hungary "a greater measure of justice and equality." Meanwhile, Hungarians must keep their powder dry. As for the League of Nations, he declared that it "has become an organization of the victor States which can offer neither justice nor peace to the other group of nations which they conquered."

Fifteen alleged Croatian conspirators who were placed on trial at Belgrade on April 28 were declared by Yugoslav authorities to have received aid and comfort from Hungarians. The Budapest Government announced that its own investigation showed that there was no foundation for the

charge, and the Minister at the Yugoslav capital was instructed to make an official protest against any revival of the allegations in court.

FRENCH LOAN TO YUGOSLAVIA

Negotiations for a loan of \$42,000,000 to Yugoslavia by France pursued a tedious course through the early Spring, but were successfully concluded on May 8. From the outset the loan was Yugoslavia's for the asking, provided certain conditions that went with it were accepted—chiefly, that the Belgrade Government acknowledge the 5¼ per cent share of the debt of the old Ottoman Empire that had been apportioned to it. These conditions proved genuine stumbling-blocks and in different circumstances might easily have proved fatal to the project. That the deadlock would, however, eventually be broken was practically assured by two facts: first, Yugoslavia's fiscal needs are imperative, and, in the second place the loan—like the recent loans to Czechoslovakia, Poland and Rumania—has large political implications and may be depended on to weight the scales a little more heavily in M. Briand's favor when he presses his plan for a broad European economic pact as against the more limited Austro-German scheme.

On May 5 Professor Albert Einstein and Heinrich Mann, the German novelist, in a protest to the League for the Rights of Man in Paris, accused the Yugoslav Government of being responsible for the murder on Feb. 18 of Professor Milan Sufflay. For ten years Professor of History in Zagreb University, Sufflay was murdered in the streets of Zagreb, and according to the authorities his assailant was unknown. The letter of protest declared that all notice of his death was suppressed and that those who took part in the funeral were punished. The murder was the result, the protest said, of open demands in the government press for the murder of political

and intellectual leaders of the Croats. The Yugoslav legation in Washington declared that Professor Einstein had been misinformed and deliberately misled by enemies of Yugoslavia.

THE CABINET DIFFICULTIES IN BULGARIA

Bulgaria has in recent weeks found it easier to end ministries than to make them. Discovering in the course of an incognito tour through his dominion early in April that the Liaptcheff Government was even more unpopular than he had supposed, King Boris promptly requested, and on April 20 received, the Ministry's resignation. The election of a new Parliament was in early prospect and the King wanted a more broadly based government in office when the test should come. The first choice for chief of the new Cabinet was ex-Premier Malinoff, leader of the Democratic party and well-known sympathizer with the agrarian elements, which, under the Zankoff and Liaptcheff régimes that have filled the years since the overthrow and assassination of Premier Stambulisky in 1923, have been under severe military repression. Through refusal of the Liaptcheff "Government" party, the Sgovor, to cooperate, Malinoff's efforts failed. The Sovereign thereupon commissioned ex-Premier Zankoff to try his hand at constructing a "Cabinet of national unity," drawn from the Sgovor and the bourgeois opposition parties, except the agrarians. Zankoff failed; Malinoff a second time essayed the task unsuccessfully, and the end of April found the harrassed King—thwarted by the obstinate refusal of Liaptcheff and his following to participate in any combination in which they were not guaranteed absolute control—forced to take back the government of which he had hoped to rid the country.

Norwegian Cabinet Crisis

WHAT numerous Norwegian observers consider the most important internal problem

of the country since Norway became independent twenty-five years ago culminated on May 7 in the defeat of the Mowinckel Ministry when Parliament passed a motion of censure by 57 to 55. Premier Mowinckel, who had been in office since February, 1928, thereupon presented his resignation to the King.

The crisis arose out of the question of extending foreign investments in one of the most important branches of Norwegian industry and led to a test of strength between the government and the Board of Trust Control. The De Nofa Company, which is partly British-controlled, applied in April, 1930, for permission to acquire a part of the shares in the Lilleborg factories and whale oil mills which supply the raw material for the Norwegian margarine and soap industry. The Mowinckel Government granted the request in July, 1930, but the Board of Trust Control found that the proposed extension of foreign capital in this important industry would be detrimental to the economic life of the country. The attitude of the Board of Trust Control led the government to propose legislation curtailing the powers of the board, which has hitherto been outside the control of the government. The Parliamentary committee appointed to deal with the matter reported that the government should have refused the petition of the De Nofa Company because it jeopardized public interests. In the debate which ensued Premier Mowinckel defended the government on the ground that Norwegian industry would benefit by the arrangement, but he was unable to ward off the vote of censure.

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On May 8 Mr. Kolstad, a member of the Agrarian party, was appointed to form a Cabinet to succeed that

headed by Mr. Mowinckel. The outgoing Premier had suggested to the King that he appoint F. Hunseid, leader of the Agrarian party in the Storting, but Mr. Hunseid said that he would support Mr. Kolstad if he became Premier.

While the Mowinckel Ministry was drifting toward the difficulties caused by the De Nofa problem, Norway as a whole was brought face to face with a nation-wide labor conflict. The trouble, which had been brewing for some time, was brought about by the expiration in February of a considerable number of collective agreements between capital and labor. It was reported on April 7 that the official mediators had failed to bring the contending parties to terms. The employers insisted upon a reduction in wages all along the line, while the employes demanded a forty-two-hour week without any cut in the wages and extra pay for overtime. On April 8 a lockout began, affecting 40,000 workers, and it was expected that this number would soon reach 100,000. An important factor in the situation was a dispute in the paper industry which in the middle of March led to a lockout affecting 12,500 laborers. On the other hand, the Oslo municipal authorities accepted toward the end of March a temporary agreement with the building trades workers engaged on municipal projects for a forty-two-hour week without wage reduction.

ICELAND'S DEMAND FOR REPUBLIC

Ominous clouds appeared on the political horizon of Iceland on April 15, when the Althing was dissolved by



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the King of Denmark, and new elections were ordered for June 12. In the dissolved Legislature no single party constituted the majority. The radical Agrarians held twenty out of the forty-two seats, the Conservatives, mainly representing commercial interests, held seven, and the Socialists five. The radical Agrarians were thus dependent upon the Socialists' support, and until the middle of April the two parties cooperated successfully. When, however, the Thorhallsson Ministry was informed on April 15 that the Socialists would give their support to a vote of censure which the Conservative camp intended to move, it was obvious that the Socialists stood ready to reconsider their attitude toward the Agrarians. Confronted by the threat of a vote of lack of confidence, the Premier had recourse to the King in Copenhagen, who issued a telegraphic order dissolving the Legislature.

The unexpected dissolution precipitated several questions of considerable significance. In Iceland it caused numerous and violent demonstrations against the Premier and demands that

the connection with Denmark be severed and a republic established.

The constitutional aspects of the problem were touched upon by Th. Stauning, the Danish Premier, on April 18. He maintained that the order for dissolution was submitted by the Icelandic Ministry, that in the circumstances the King could only sign the document and that any other procedure would have meant a violation of the fundamentals of Parliamentary government. The question thus presents a rather unique situation, in that the Crown is attacked and the establishment of a republic is urged by the conservative elements in Iceland, while it is defended by the Socialist Premier of Denmark. That dissolution came before the Althing had passed the budget laid the Thorhallsson group open to charges of unconstitutionality which are more than likely to strengthen the hand of the disaffected elements during the coming campaign.

DANISH LABOR TROUBLES

During the greater part of April Denmark was concerned with a labor conflict which involved practically all phases of the economic life of the country. Three months' negotiations between employers and the representatives of trade unions were unsuccessful, and it was reported on April 8 that a lockout involving 150,000 workers was imminent. Largely through the efforts of the official mediator, the lockout was postponed till April 28, when the employers' organization stated that the lockout would be enforced only in the footwear industry, which involved only 3,000 workers. This last-minute action on the part of the employers thus staved off a contest that would virtually have paralyzed the economic life of the nation.

EVENTS IN SWEDEN

Both houses of the Swedish Riksdag on April 11 accepted the so-called Oslo pact, which was concluded last

December. By its terms Norway, Sweden, Denmark, Holland and Belgium agree not to enact new tariff laws or to raise existing duties except after consultation among the signatories concerning the advisability of such contemplated measures. (See reference to this important tariff arrangement in the article "The Economic War in Europe," on pages 361-366 of this magazine.)

The Nobel Foundation announced that this year each of the five awards would be worth \$46,420, as against \$46,350 last year. The foundation also stated that its assets now reach \$11,668,720, the bulk of which is invested in Swedish securities.

Defeat of the Communists and Conservatives alike and a notable advance of the moderate Social-Democratic party characterized the outcome of the elections for the Stockholm City Council, or Board of Aldermen. The Liberals held their own, the governmental party losing but one seat, while the Social-Democrats increased their membership from 43 to 52, thus capturing control of the council without the aid of the Communists, who now have five instead of nine members.

FINLAND'S RETURN TO REAL BEER

During the Spring session of the present Finnish Parliament, the prohibition problem received constant attention. After the government proposal providing for an increase in the alcoholic content of beer was defeated on March 13 in the Economic Committee, the bill was passed by the Legislature on its second reading on April 10 by 115 to 75 votes. The three parties that had so far constituted the backbone of the dry forces were badly split by this particular proposal. The Coalitionists voted 33 for the bill and 6 against; the Agrarians, 27 for and 29 against; the Socialists, 28 for and 35 against. Since these parties have resolutely opposed all efforts to revise the prohibition law,

this result may be regarded as the first sign of a breach in the prohibitionist wall.

The new bill, which became law on April 14, provides for beer of 2.84 per cent alcoholic content (by volume). While its passage was heralded by many as a victory for the wet cause, it is obvious, in the light of the debates of the last three months, that fiscal considerations were an important factor. The tax on near-beer was recently raised, and the increase was enacted in circumstances that led the friends of stronger beer to believe that the higher taxation would lead to an increase in the alcoholic content of malt beverages. Much to their disappointment, however, their hopes were not realized, and a higher tax was the only result. The non-alcoholic beer was at once extensively boycotted, so that only a very moderate income was derived from the malt tax.

When the new beer, the strongest Finland has had since 1919, was placed on sale in the early days of May, it created tremendous excitement. The demand was unprecedented, but statistics tended to show that 2.84 per cent beer did not lead to the drunkenness that was expected. That the connection between drunkenness and the consumption of intoxicants in Finland will become more rather than less obscure in the future is suggested by the new law concerning drunkenness passed by Parliament. The law in force since 1922 made intoxication as such a punishable offense, while the new enactment states that drunkards shall be tried only if they cause "public annoyance."

LITHUANIAN AFFAIRS

The Lithuanian Minister of the Interior, M. Aravicius, submitted his resignation on April 2 in consequence of differences with M. Rusteika, the Chief of the Criminal Police, who was thereupon appointed to the vacant position.

The Lithuanian Minister to Moscow

and Foreign Commissar Litvinov signed on May 6 a five-year renewal of the non-aggression treaty of 1926. To the pact was annexed an affirma-

tion by the Soviet Government of the recognition of Lithuania's right to the Vilna district, seized by Poland ten years ago.

Russian Communist Party Gains

THE Communist party of the Soviet Union has just emerged from its annual ordeal known

as the "cleansing." The official count on Feb. 1 set the party membership at 2,040,658, a gain of approximately 500,000 as compared with the same date a year ago. The results of the annual inquisition made public on April 23 show that 1,273,000 individuals were called before the party tribunals to show cause why they should be continued in good standing. Of these 130,000 were ordered to be expelled from the party, though this number was later reduced to 100,000 through successful appeal from the verdict of the judges. An additional 156,000 were reprimanded for minor breaches of party discipline, and placed on probation during the coming year. After these readjustments in the membership had been made the composition of the party was stated to be 67 per cent wage earners, 22 per cent peasants and 11 per cent professional people.

This annual event does as much as any other single thing to emphasize the fundamental distinction between the Communist party and the other political organizations of the world. In spirit and purpose the Communist party is more akin to a religious order than to a political grouping of the electorate. To join it is to profess a way of life which embraces the whole range of the individual's beliefs and activities. Admission is by confession of faith in a rigid economic, religious and political creed, and an avowal of an austere standard of per-

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sonal conduct, supported by the endorsement of a number of character witnesses. Each new member passes

through a period of probation during which his professed allegiance to the party is tested in various ways, and once a year the "cleansing" requires the members new and old to run the gauntlet of inquisitors with whom has been lodged every charge that can be levied against their faith or works by their fellow members. The accusations which lead to reprimand or expulsion reveal the broad scope of the party creed. As might be expected a frequent cause of expulsion is breach of party discipline, such as friendship with the Trotskyites or other dissidents, which arouses the resentment of the Stalin faction. But in many cases the punishment is addressed to delinquencies in the private moral conduct of the individual. Thus many were dropped this year for drunkenness, for dishonesty, for lavish expenditure, for sexual immorality, for cruelty to their wives or children. The religious life of the party member is also a subject of inquisition. The true Communist is a professed atheist, and numbers were expelled this year because they were suspected of belief in religion or were observed attending the ceremonies of the churches.

We fail in our comprehension of communism as a force in the modern world if we deal lightly with these characteristic features of the movement, since much of the behavior of the Communist group in Russia and elsewhere is inexplicable in terms of

our usual experience with political parties. The depth of emotional feeling, the fanaticism, the intransigent attitude, in the face of which our customary method of settling political differences by discussion and compromise breaks down, are attributes of a movement which has taken on the character of a religious crusade. The grotesqueries of intraparty strife which cause the Communists outside Russia to fly at each other's throats over quite minor points of doctrine instead of concentrating their efforts upon a common enemy are of similar character. These attributes are typified in the annual "cleansing" of the party. They are a source both of strength and of weakness. By promoting iron discipline, singleness of purpose and a fanatical zeal for party service they increase the power of the movement far beyond its numerical strength. On the other hand, these same attributes tend to intensify the doctrinaire nature of the movement and hence to increase its difficulty in adjusting its policies to the stubborn realities of a complex world.

THE COMMUNIST INTERNATIONAL

The international aspects of communism are brought to the fore at the present time by the eleventh session of the executive committee of the Third International recently held in Moscow. The scope of the movement is indicated by the fact that there were present representatives of forty-nine sections in as many different countries reporting a contributing membership of 2,518,637 persons. It must be remembered, however, that the Third International recognizes as legitimate but one revolutionary party in each country, thus ignoring many factional groups which bear the name "Communist" and devote their energies to the same general purpose of social revolution. At an early meeting the plenary session recognized the importance of the American movement by electing William Z. Foster

to one of the thirty places on the praesidium. The published statement of income and expenditures for the previous year is of some significance as bearing on the vexed question of Moscow's subsidies to subversive propaganda throughout the world. The statement showed total receipts of \$1,096,009.32, of which all but \$60,000 was drawn from membership dues. The appropriations after caring for administrative and other official expenses, provided \$641,000 for propaganda under the title "publications, cultural and educational work." One is impressed by the insignificance of this figure in proportion to the enormous sums of money which are often believed to be at the disposal of the Communist sections in this and other countries.

It is interesting to observe how, as the years pass, the Third International adjusts its objectives and tactics to the exigencies of Russia's foreign relations. The resolutions adopted at its plenary sessions, and even the oratory released upon the world on these occasions, reflect the prevailing situation with respect to the immediate needs of the Soviet Union. In the early years of its history, when the Soviet leaders held fast to the belief that a successful revolution in Russia was impossible save as a part of a world-wide revolution, the resolutions of the International expressed confidence in the imminence of Communist uprisings in other countries, and its instructions to its foreign sections ran in terms of aggressive belligerent tactics. With the triumph of Stalin's policy, which committed Russia to an isolated experiment in communism, these declarations of war on the international front declined noticeably in fervor. And as the progress of the five-year plan brought home to the Soviet leaders the absolute dependence of their program upon peaceful economic relations with the rest of the world, the tone of the Third International has grown continuously less bellicose. There is always, of course, a

certain amount of fiery oratory; this is indispensable to the internal morale of an organization which believes itself to be at war. But the slogan now is not attack but defense. The world is viewed as a group of predatory capitalist nations ready to pounce upon Russia, who, with her Communist followers in other countries, longs for peace but must be on the alert to protect herself. This outlook is exhibited in a grotesque form in a resolution of April 24 which accuses the United States Government of conspiring with France for the invasion of Russia during the coming Summer. The operations of the Federal Farm Board were submitted as proof of this fantastic statement, it being asserted that Chairman Legge was administering a \$500,000,000 fund for the purpose of providing vast supplies of foodstuffs to the invading troops.

Aside from this change of tactics by the Third International there is abundant evidence that the Soviet Union is committed by the necessities of her domestic situation not only to a pacific policy in international affairs but also to a policy of restraint with regard to social revolution in other countries. A good illustration is the reaction of the Soviet press to the Spanish revolution. This is an occurrence which the Communist party in its early days would have hailed as the signal for an uprising of its cohorts in Spain. *Pravda*, commenting editorially upon the event, points out the factors favoring an attempt to turn the Spanish revolution from the political to the social plane, finding them very similar to those in the Russian situation which Lenin employed so skillfully in 1917. Yet this organ of the Kremlin makes it quite clear that the Soviet Government is strongly opposed to such an attempt in the present instance because of the grave danger to international peace. So completely has the five-year program placed the leaders of militant communism under bonds to preserve

the peace that they are obliged in a test case to disregard the mandates of their own creed.

THE SOVIET TRADE POSITION

The shift of Soviet commercial policy in response to the embargo movement is shown clearly in last month's trade statistics. (See also pages 337-342.) The United States and Canada are the principal losers in terms of sales to Russia; Great Britain, Italy and the Central European States, the chief gainers. Canada's trade with Russia has not been large in the past, but it is now entirely wiped out by an official boycott on Canadian goods adopted by the Soviet Government as a reprisal against the Canadian embargo policy. The situation with respect to the Russian trade of the United States is disclosed by a statement of the Department of Commerce on May 1. In March our sales to the Soviet Union fell to a third of the February figures, a decline of \$14,000,000. This decline is expected to continue as the Soviet Government gradually liquidates the purchase contracts placed here last year and refuses, as at present, to make new purchases of any significant size. The first testing of our embargo policy was decided in Russia's favor when, on April 27, the Treasury Department ruled that a shipment of Soviet lumber was eligible to enter the United States since there was no clear evidence that the goods had been produced by convict labor. It remains true, however, that each subsequent Russian shipment must overcome the opposition of our embargo laws, the importer bearing the burden of proof that the commodities in question are the product of free labor. The situation is disastrous to Russian commercial credit in this country; and it is because of her inability to finance purchases here, rather than as a retaliatory measure, that the Soviet Union is seeking other markets.

The reverse side of this picture is

reflected in recent Russian transactions with certain other countries. The British Board of Trade figures for March show that grain imports from Russia increased almost tenfold during the first quarter of 1931 as compared with the corresponding period in 1930, the values being \$7,300,000 and \$770,000 respectively. Our grain exports to Great Britain showed the effect of this change, declining from \$10,800,000 to \$2,190,000 in a comparison of the two periods. At the present moment the Soviet Government is said to be negotiating for the purchase of \$100,000,000 worth of British ships. On April 14 it was announced from Berlin that the Soviet-Reich trade negotiations had resulted in a Russian order for heavy industrial equipment from Germany totaling \$75,000,000. Two weeks later a new trade agreement was signed by Italy and Russia providing for a \$20,000,000 purchase of Italian machinery within the next eight months. Even Poland, a consistent enemy of the Soviet Union, is taking advantage of the disruption of the Russian trade with America. The two nations have formed a joint corporation in which the Soviet Government is officially represented, to handle large purchases of Polish textile machinery and railroad equipment.

On the face of the matter, this transfer of business to European countries seems to be determined by business rather than by political considerations. In this the credit factor is the determining element. According to an analysis published by the Department of Commerce, European countries provide ample credit on Russian purchases, demanding as little as 10 per cent in cash and postponing final payment in some cases as long as fifteen years. Thus the recent agreement with Germany provides a credit extension up to twenty-nine months, the German Government guaranteeing 70 per cent of the amount involved. The agreement with Italy provides credits varying from

one year to fifty-four months with a similar guarantee by the Italian Government. The Soviet commercial relations with Great Britain and Poland are on similarly favorable credit terms.

But it is impossible to separate the political and the business factors. It is the political situation which has destroyed Soviet credit in this country, and the favorable attitude of other governments which is increasing Soviet purchasing power abroad. This diversity of policy enables the Soviet Union to work economic injury to her enemies through the medium of her friends and at the same time to strengthen her own position in the world. The recent exchanges between the League of Nations and the Soviet Union on the subject of the approaching Pan-European conference illustrate this situation. After a period of hesitation the League addressed an invitation to the Soviet Government to take a restricted part in the conference. On April 26 Commissar Litvinov replied in curt language protesting on the part of Iceland and Turkey as well as of the Soviet Union against the implication that these countries were to take a subordinate position in the conference, and asking for assurances on this point. Sir Eric Drummond's reply was equally curt, and so non-committal on the points raised by Litvinov as to appear inspired by a desire to keep the Soviet Union out of the conference. In the meantime, however, the Fascist press has espoused the Soviet cause, threatening that Italy must refuse to participate in an organization which does not accord full participation to Russia. This was the position taken by Germany when a similar question was raised in January, and the Fascist press now invites Germany to join with Italy in presenting an ultimatum to the League which will put the Soviet Union in a key position with regard to the destiny of the Pan-European movement.

The Elections in Turkey

THE elections for members of the Turkish Grand National Assembly were held on April 24.

The People's party presented 287 candidates, a list on which the names of eighty-two former Deputies were absent. Mustapha Kemal, who abstained from nominating candidates for thirty seats, issued a declaration in which he described the achievements and aims of the party. He requested that the thirty vacant places be filled by supporters of the republic who were not members of the Popular party. This appeared to be a renewed effort to create a parliamentary opposition, which would discuss and criticize the measures and policies of the government. The election resulted in the return of all candidates of the Popular party together with fifteen independents. Although capable men were nominated as independents from Istanbul, none of them was elected.

The Grand National Assembly, having completed its organization, on May 4 unanimously elected Mustapha Kemal Pasha as President of the Turkish Republic for a third term. (See article on pages 390-394 of this magazine). By the Turkish Constitution the Assembly is chosen for periods of four years, and the President of the republic is elected by the Assembly to serve during its term. The last or Third Assembly was dissolved six months in advance of the usual date, so that the President's second term lasted three years and six months. Legality demanded the resignation of Premier Ismet Pasha and the Cabinet, but reappointment without change was expected.

THE CRUISER GOEBEN

After three years of labor, French engineers have refitted the battle

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cruiser Yawuz Sultan Selim, formerly the German cruiser Goeben, and have given the Turkish Navy a ship of

22,500 tons, which can steam 5,350 miles at ten knots without refueling. The Goeben, built at Hamburg in 1909, fled at the beginning of the World War from the coast of Algiers to the Dardanelles. Her incorporation in the Turkish Navy, with her subsequent attacks upon Russian Black Sea ports, were among the immediate causes which brought Turkey into the war. Engaged by Russian warships, battered by mines, attacked by submarines and bombed from the air, she is said to have seen more fighting than any other battleship afloat. At the end of the war she appeared to be a complete wreck, but restored and fitted with French guns and a French fire-control system, she is now in her twenty-second year a splendid cruiser.

The government recently decided that the primary education of all Turkish boys and girls must be obtained in Turkish schools. This strikes another blow at the many foreign schools, particularly those conducted by French Roman Catholics. For centuries French has led the Western European languages learned by Turks. The recent decree gives emphasis to the effort of the government to encourage the teaching of English in Turkish schools.

Some light has apparently been thrown upon the severity of Turkish justice by an interview in a Turkish daily with Ali Effendi, the public executioner. It appears that this official has hanged 5,216 persons during the last twelve years—about 3,000 of them after a revolt near Konia ten years ago. Individuals of a dozen nationalities have been among the victims. Since the death penalty is sel-

dom inflicted in Turkey for murder, the offenders have been convicted mainly upon political and semi-political charges.

THE PROBLEM OF TURKISH TRADE

Recent rumors have maintained that the Turkish Government was planning to take full control of export trade, perhaps through agricultural cooperative societies. The discussion may have been started to sound out public opinion. Considerable uneasiness resulted among business men, and on April 20 the announcement was made that the government would not create a straight monopoly of export trade.

The loss of Turkish trade to Russia has not been entirely within Turkey. Russian wheat was delivered in March to Greek ports at a price lower than the cost of production of Turkish wheat. In spite of heavy tariffs, the Russians have sold cement and timber in Turkish ports at a price lower than the Turks appear to be able to meet.

THE EGYPTIAN ELECTIONS

It was announced at the end of April that electoral delegates would be chosen in different sections of Egypt on May 14, 16 and 18, and that they would vote for members of Parliament on June 1. The government forbade leaders of the Wafd and Liberal Constitutional parties to visit various towns for campaigning against the election, since such visits were "bound to lead to the holding of meetings and demonstrations which would be certain to result in disturbance of the public peace and to lead to committing of crimes."

THE ARABS IN PALESTINE

The Arab executives met on April 14 at Jerusalem and decided not to send a delegation to London for negotiations concerning the proposed loan of \$12,500,000. According to press reports, it was decided to conduct discussions in Jerusalem and later it was

affirmed that the Arab executives had refused to negotiate with the British Government unless assured of the cancellation of the Balfour Declaration and the Palestinian Mandate. Apparently, if new political conditions can be expected, the Arabs will negotiate with British representatives, but they have stated very flatly that they will discuss nothing with Zionist representatives, because to do so would recognize the declaration and the mandate. Another report stated that at its meeting of April 14 the Arab executive voted, 16 to 4, to negotiate with the British Government under certain conditions: such negotiation would not imply Arab assent to the policy of the Balfour Declaration; the policy set forth in Mr. MacDonald's letter to Dr. Weizmann is to be ignored; the negotiations with the Arabs are to be conducted in Palestine; and the Arabs will not take part in any discussions in the presence of Jewish representatives.

The Mufti of Jerusalem called a special memorial service for April 24, "to commemorate the souls of Moslem martyrs who have died in Tripolitania." The Arabs affirmed that after occupying the Kufra oasis on Jan. 24, the Italians deported and massacred Arab tribesmen, and married Moslem girls by compulsion to Italian soldiers, and committed other outrages. The Italian Consul General in Jerusalem denied all these alleged atrocities.

THE ARCHBISHOP OF CANTERBURY IN PALESTINE

The Archbishop of Canterbury visited Palestine in the middle of April. The fears of other religious groups that the Anglican church was to obtain special privileges were allayed by declaring the visit private and disclaiming all intention to embarrass others. The Archbishop was received cordially by dignitaries of the Greek Orthodox, Armenian and Latin or Roman Catholic churches. Reference was made more than once to the possibility of union between the Anglican and

Greek Orthodox churches. Brotherly relations already exist and an eventual union would not be expected to bring the churches under one authority; each would remain independent while maintaining the closest cooperation. The Archbishop spent a few days at the government house, and afterward toured the country in the company of J. P. Morgan.

Palestinian imports for 1930 were valued at \$35,000,000, showing a loss of about 4 per cent. Exports were worth about \$11,000,000, and were almost exactly the same as for the previous year. Taking into account only goods produced in Palestine, the exports show an increase of more than

20 per cent, the increase being largely due to the shipment of oranges.

RELATIONS OF IRAQ AND ARABIA

After the signing at Bagdad on March 24 of the Iraq petroleum concession, the Prime Minister Nouri Pasha set out upon his postponed visit to the Hejaz and the Yemen. The opposition press at Bagdad attacked the mission bitterly, alleging that the journey implied an imperialistic design on the part of Great Britain. It was hinted that Nouri Pasha was endeavoring to organize a union of Arabs of the whole peninsula under British auspices.

The Chinese People's Convention

CONSTITUTIONALISM and treaty revisionism rode hard in China during April to outdistance

communism and to present the People's Convention with accomplished facts. Elections took place throughout the country in the various categories of electorates—unions of laborers and peasants, chambers of commerce, industrial organizations, educational bodies and Kuomintang (National party) branches—for the convention which convened on May 5. They aroused great interest in the cities, where factions for and against the present governmental group struggled for the control of delegations. Riots were reported from Mukden and Hankow.

The committee appointed to draft a provisional constitution for the "period of political tutelage," which now has succeeded the military period—by construction at least—submitted a document of eight chapters and sixty-nine articles. The chapters were reported to cover the following heads: (1) A preamble devoted to Dr. Sun Yat-sen, (2) a bill of rights, (3) the

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policies of the period of tutelage, (4) labor, (5) central and provincial government, (6) organization of the central government, (7) education, (8) appendix containing amendments.

Hankow was flooded with leaflets denouncing the government, issued by the Hupeh branch of the Kuomintang and by the Youth's party. They compared the convention to the conference summoned by Yuan Shih-kai in preparation for founding a new dynasty, asserting that the president of the National Government was planning to have himself elected President of China. Their charges that opponents of Chiang Kai-shek were being prevented from voting appeared to be false, since in Hankow itself the faction led by Mayor Liu Wen-tao, Kuomintang civilian leader, defeated that of General Ho Cheng-chun, Chiang Kai-shek's military representative.

At the opening of the convention in Nanking on May 5 to the booming of cannon and tolling of bells and in the presence of many foreign diplomatic and consular officials, President Chiang Kai-shek delivered an address,

in which he ignored the disquieting news from the southern provinces and reviewed the progress made by the Nationalist Government. He declared that China would do well to emulate Soviet Russia in the development of industry and communication.

The National Government on May 4 announced the abolition of extraterritoriality, post-dating the effectiveness of the mandate by providing that new regulations governing the exercises of jurisdiction over foreign nationals would not be effective until Jan. 1, 1932. This action, forecast in a number of strong statements by Foreign Minister C. T. Wang, was taken without previous agreement with the United States, Great Britain, France or Japan. Negotiations were at a deadlock with all four powers. Japan, for whom relinquishment would be especially difficult because of the number of her nationals resident in China and especially easy because of her closer acquaintance with Chinese legal and social ideas, stood firm against immediate abolition. According to the *Osaka Mainichi* of March 29, 1931, Japan's policy had been altered from an insistence upon gradual abolition to the requirement of assurances for the lives and property of Japanese residents, but since at present such assurances are lacking the change of policy was not very real. Apprehension was expressed in Japanese newspapers lest the other powers should accept the Chinese action, protecting themselves by provisions for most-favored-nation treatment and leaving Japan "holding the bag."

MENACE OF COMMUNIST REVOLT

The menace to the National Government of a Communist revolt in the Yangtse cities, bringing the antagonism in South and Central China into the very centre of Kuomintang jurisdiction, appeared to increase rather than diminish during April and early May. Six raids, on April 17, by police

of the International Settlement of Shanghai netted twenty-five suspected Communists and a large amount of Communist propaganda leaflets and munitions of war. The raid was reported to reveal the existence of a "Kiangsu Soviet Provincial Government"; the leaflets asserted that 50,000,000 Chinese were living under Communist rule and called upon foreign troops to cease supporting the war of the National Government against the Communists.

The authorities declared martial law in Hankow because of the fear that an attempt would be made by Communists at the time of the opening of the People's Convention at Nanking to seize the city and its neighbors, Wuchang and Hanyang. An armed clash between French soldiers and a newly arrived garrison division was narrowly averted at Hankow and street executions of Communists were frequent. A report, later denied, stated that government troops had defeated a Communist force under General Ho Lung and had decapitated 1,800 men without a trial.

Apparently through a misunderstanding as to where merchant ships approaching Ichang should stop to be searched for opium, the American merchant ship *Iping* was fired upon by National Government troops on April 6, and the quartermaster and a member of the naval guard were wounded. The naval guard replied with machine gun fire, causing twenty-five casualties. The Chinese commander demanded an apology and indemnity, but later agreed to postpone action. Two days later a similar misfortune befell the Japanese merchantman *Karyo Maru*. Signs were hoisted from the trenches occupied by irregulars along the Yangtse below Shasi, Hupeh province, to this effect: "Just now we are being quiet, but when Summer comes we intend to sink all foreign shipping." The signs also offered \$20 a month to deserters from the government armies.

The chairman of Honan's governing committee—the new name for the warlords who govern provinces friendly to Nanking—has reported that General Shih Yu-san, one of the so-called neutral or “grey” generals of the area between the Yangtse and the Yellow Rivers, was planning revolt. General Han Fu-chu was moving westward from Shantung to checkmate him. General Chen Tiao-yuan, chairman of Anhui, was impeached by the National Government for failure to abolish illegal taxes on salt and rice. He denied all the charges.

From the north Manchurian city of Harbin came news that martial law had been declared in anticipation of Communist demonstrations. From Canton reports were received of a movement in sympathy with the former head of the legislative *yuan*, Hu Han-min, and the continued open rebellion of Generals Li Tsung-jen, Pai Chung-hsi and Chang Fa-kwei, all former collaborators in the Nationalist revival. Minister of War Ho Ying-chin reported the desertion of 30,000 government troops to the southern rebels. General Liu Hsiang, Nanking's warlord at Chungking, reported success against other factions in Szechuan. Yunnan province remained practically independent.

THE NEW PREMIER OF JAPAN

Baron Reijiro Wakatsuki succeeded Yuko Hamaguchi as Premier of Japan on April 14. Prince Saionji, the sole surviving *genrō*, recognized the Min-seito, majority party in the House of Representatives, as entitled to form the Cabinet in thus recommending the president of the party for the Premiership. Wakatsuki, Premier from January, 1926, to April, 1927, has announced that he intends to maintain the Hamaguchi policies of retrenchment and industrial rationalization. Three new Ministers were appointed—General Jiro Minami to the War Department, Yukio Sakurauchi to the Ministry of Commerce and Industry and Shujiro Hara to the Ministry of

Overseas Affairs (i. e., colonies). All but one of the Parliamentary Vice Ministers and Counselors were replaced by new men. Both the new civilian Ministers are members of the House of Representatives.

Finance Minister Inoue made known the fact that he had misled the Diet with respect to the budget, in which, he subsequently admitted, there were discrepancies in estimates which would result in a deficit of at least 128,000,000 yen (\$64,000,000). He stated that it would be necessary to make use of the earthquake bond act to obtain a loan to cover that portion of the deficit, about 48,000,000 yen, which could not be met out of the special reserve. Mr. Inoue, however, was reappointed Minister of Finance in spite of this apparent disregard of constitutional methods.

JAPANESE FOREIGN AFFAIRS

Shimbun Rengo, Japan's principal news agency, has been denied the use of the Chinese telegraphic system and its reporters have been refused admission to Foreign Minister Wang's press interviews as a result of a charge of sending unfavorable news under the orders of the Japanese Government. Other Japanese journalists protested at Nanking, and the Japanese press association of Shanghai adopted a strong resolution condemning the treatment as an insult and as compromising to Japan's prestige.

A temporary settlement has been reached with the Soviet Government on the question of exchange rates on rubles to be paid by Japanese fishing companies for concessions in Siberian waters. The rate accepted was 32.5 sen (16 cents). Previously the Japanese Foreign Office replied to the Soviet note of protest at the attempted assassination of Paul Anikeiev, member of the embassy staff, expressing regret and insisting that the shooting had no political significance. Japanese business men were apprehensive lest M. Anikeiev be recalled to Moscow when his wounds healed.